

State of Nebraska (State Purchasing Bureau) REQUEST FOR PROPOSAL FOR CONTRACTUAL SERVICES FORM

RETURN TO:
State Purchasing Bureau
301 Centennial Mall South, 1st Fl
Lincoln, Nebraska 68508
OR
P.O. Box 94847
Lincoln, Nebraska 68509-4847
Phone: 402-471-2401
Fax: 402-471-2089

SOLICITATION NUMBER	RELEASE DATE
RFP 4404Z1	June 3, 2013
OPENING DATE AND TIME	PROCUREMENT CONTACT
August 5, 2013 2:00 p.m. Central Time	Mary Lanning/Peter Kroll

This form is part of the specification package and must be signed and returned, along with proposal documents, by the opening date and time specified.

PLEASE READ CAREFULLY!

SCOPE OF SERVICE

The State of Nebraska, Administrative Services (AS), Materiel Division, Purchasing Bureau, is issuing this Request for Proposal, RFP Number 4404Z1 for the purpose of selecting a qualified contractor or contractors to provide ACH Origination Services and Credit Card Processing Services. The State is requesting a separate proposal for each service. In addition, a package proposal for both services may be submitted.

First set of written questions are due no later than June 14, 2013 and should be submitted via e-mail to as.materielpurchasing@nebraska.gov. Written questions may also be sent by facsimile to (402) 471-2089.

Bidder should submit one (1) original and ten, (10) copies of the entire proposal. In the event of any inconsistencies among the proposals, the language contained in the original proposal shall govern. Proposals must be submitted by the proposal due date and time.

PROPOSALS MUST MEET THE REQUIREMENTS OUTLINED IN THIS REQUEST FOR PROPOSAL TO BE CONSIDERED VALID. PROPOSALS WILL BE REJECTED IF NOT IN COMPLIANCE WITH THESE REQUIREMENTS.

1. Sealed proposals must be received in State Purchasing by the date and time of proposal opening indicated above. No late proposals will be accepted. No electronic, e-mail, fax, voice, or telephone proposals will be accepted.
2. This form "REQUEST FOR PROPOSAL FOR CONTRACTUAL SERVICES" MUST be manually signed, in ink, and returned by the proposal opening date and time along with bidder's proposal and any other requirements as specified in the Request for Proposal in order to be considered for an award.
3. It is the responsibility of the bidder to check the website for all information relevant to this solicitation to include addenda and/or amendments issued prior to the opening date. Website address is as follows:
<http://das.nebraska.gov/materiel/purchasing/rfp.htm>
4. It is understood by the parties that in the State of Nebraska's opinion, any limitation on the contractor's liability is unconstitutional under the Nebraska State Constitution, Article XIII, Section 3, and that any limitation of liability shall not be binding on the State of Nebraska despite inclusion of such language in documents supplied with the contractor's bid or in the final contract.

BIDDER MUST COMPLETE THE FOLLOWING

By signing this Request For Proposal For Contractual Services form, the bidder guarantees compliance with the provisions stated in this Request for Proposal, agrees to the terms and conditions (see Section III) and certifies bidder maintains a drug free work place environment.

FIRM: _____

COMPLETE ADDRESS: _____

TELEPHONE NUMBER: _____ FAX NUMBER: _____

SIGNATURE: _____ DATE: _____

TYPED NAME & TITLE OF SIGNER: _____

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GLOSSARY OF TERMS

Acceptance Test Procedure: Benchmarks and other performance criteria, developed by the State of Nebraska or other sources of testing standards, for measuring the effectiveness of products or services and the means used for testing such performance.

Account Analysis Statement: A paper or electronic report that a bank provides to commercial customers specifying services provided, balances maintained, volumes processed and charges assessed. It is essentially an invoice for services provided, along with detailed information on balances and credit earned for those balances.

Account Number (as it relates to Credit Cards): The 16-digit account number that appears in print on the front of all valid credit, debit, and stored-value cards.

ACH Operator: The central clearing facility operated by a private organization or the Federal Reserve Bank that acts on behalf of the Depository financial institutions to transmit or receive the ACH entries. The ACH Operator calculates settlement totals owed to and by the Participating Depository financial institutions based on the effective entry date contained within the batches of transactions:

ACH Return: Any ACH entry that has been returned to the ODFI by the RDFI or by the ACH Operator because it cannot be processed. The reason for each return is included with the return in the form of a "return reason code."

Acquirer (Credit Card): A bankcard association member who initiates and maintains relationships with merchants who accept payment cards. The FI that contracts with a merchant to initiate payment requests to a credit card association or credit card company in the context of credit and debit card payments.

Acquirer (Financial Institution): A financial institution that enters into agreements with merchants to accept branded cards as payment for goods and services. They are also called acquirers or acquiring banks or merchant bank.

Addenda Record: An ACH record that carries the supplemental data needed to completely identify an account holder(s) or provide information concerning a payment to the RDFI and the Receiver.

Addendum: Something added or deleted.

Agency: Any state agency, board, or commission other than the University of Nebraska, the Nebraska State colleges, the courts, the Legislature, or any officer or agency established by the Constitution of Nebraska.

Agent: A person authorized by a superior or organization to act on their behalf.

Amend: To alter or change by adding, subtracting, or substituting. A contract can be amended only by the parties participating in the contract. A written contract can only be amended in writing.

Amendment: Written correction or alteration.

Appropriation: Legislative authorization to expend public funds for a specific purpose. Money set apart for a specific use.

ARP (Agency Related Person): A 13-digit alpha/numeric identifier. An ARP is any individual whose information is stored in CHARTS.

Assessment Fees: Fees that are charged by the card associations for processing a credit card transaction. Assessments are paid to the card associations to partially fund the association's activities, chargebacks, overhead and advertising.

Authorization: The process of verifying that the payment card has sufficient funds available to cover the amount of the transaction and that the card is authentic and not reported as stolen. An authorization number is obtained for every sale.

Authorization Fees/Costs: Fees charged by the merchant bank that pass through to the authorization vendor in order to obtain the electronic approval to complete credit card transactions at the point of sale. This is the cost associated with authorization of credit card transactions, including telecommunication charges.

Automated Clearing House (ACH): The ACH system was developed by the financial industry in the early 1970s as an electronic alternative to checks. The ACH system is a batch processing system designed for high volume, low-value transactions. In an ACH transaction, payment information is processed and settled electronically, thereby increasing reliability, efficiency and cost effectiveness.

Automated Notification of Change or Refused Automated Notification of Change (COR): The entry is to identify an automated notification of change or a refused automated notification of change. A COR entry must be accompanied by an Addenda Record to specify changed information.

AVS Address Verification Service enables merchants to verify a cardholder's billing address before completing a transaction.

Award: All purchases, leases, or contracts which are based on competitive proposals will be awarded according to the provisions in the Request for Proposal. The State reserves the right to reject any or all proposals, wholly or in part, or to award to multiple bidders in whole or in part. The State reserves the right to waive any deviations or errors that are not material, do not invalidate the legitimacy of the proposal, and do not improve the bidder's competitive position. All awards will be made in a manner deemed in the best interest of the State.

Banking Day: Any day on which a participating depository financial institution is open to the public during any part of the day for carrying on substantially all its banking functions.

Batch: A group of records or documents considered as a single unit for the purpose of data processing.

Best and Final Offer (BAFO): A second-stage bid in a public procurement for services.

Bid: The executed document submitted by a bidder in response to a Request for Proposal.

Bid Bond: A bond given by a surety on behalf of the bidder to ensure that the bidder will enter into the contract as bid and is retained by the State from the date of the bid opening to the date of contract signing.

Bidder: Any person or entity submitting a competitive bid response to a solicitation.

Business: Any corporation, partnership, individual, sole proprietorship, joint-stock company, joint venture, or any other private legal entity.

Business Day: Any weekday, excepting public holidays.

Calendar Day: Every day shown on the calendar; Saturdays, Sundays and State/Federal holidays included. Not to be confused with "Work Day".

Cardholder: A person who uses a payment card to purchase goods and services.

Card Issuer: A financial institution/or entity that issues card.

Card Not Present: When a card number is communicated verbally or otherwise conveyed manually (such as being entered into a form on the Internet). In a card-not-present transaction, the magnetic stripe is not read, and the card is not visible to the cashier.

Card Present: When a card is physically presented at the time of a transaction and the magnetic stripe is read in a terminal. The information from the stripe is transmitted as part of the transaction.

Card Processor: A third party which provides transaction processing and other services for a card issuer or acquirer.

Cash Concentration or Disbursement (CCD): An electronic payment format used for concentration and disbursement of funds within or between companies. A single 94-character record contains the standard entry class indicating the type of transaction, transit routing numbers for the originating and receiving financial institutions, and the originator and receiver account numbers.

Cash Concentration or Disbursement plus Addendum (CCD+): One of the formats used for the U.S. Treasury Vendor Express program and for B2B payments. It is useful when only a limited amount of information must be transmitted. This format is identical to CCD but with an addenda record. The addenda record is 94 characters long and includes a free-form space for up to 80 characters of descriptive data.

Chargeback: The act of an issuing bank returning a previously authorized transaction to the merchant sponsoring bank due to some defect or dispute of the transaction. When the merchant is notified of the dispute, the merchant must respond to the chargeback, offering proof of validity for the transaction.

CHARTS (Children Have A Right To Support): The Nebraska Child Support Enforcement computer system.

Chip: An integrated microchip that is embedded into a plastic credit or debit card.

Chip Card: A plastic payment card with an embedded computer chip that communicates information to a chip-reading device during the transaction process.

Collateral: The assets being used as security for State funds on deposit. Collateral must meet State Statutory requirements.

Collusion: A secret agreement or cooperation between two or more persons or entities to accomplish a fraudulent, deceitful or unlawful purpose.

Comma Separated Values (CSV): A simple text value representation for a spreadsheet, with columns delimited using commas and rows delimited using new lines.

Commercial Card: A payment card issued to business entities to cover expenses such as travel, entertainment, and purchasing.

Compensating Balances: Balances that are maintained in the company's deposit accounts at the bank and generally do not earn interest, but are used to offset depository service charges.

Competition: The process by which two or more vendors vie to secure the business of a purchaser by offering the most favorable terms as to price, quality, delivery and/or service.

Confidential Information: Unless otherwise defined below, "Confidential Information" shall also mean proprietary trade secrets, academic and scientific research work which is in progress and unpublished, and other information which if released would give advantage to business competitors and serve no public purpose (see Neb. Rev. Stat. §84-712.05(3)). In accordance with Nebraska Attorney General Opinions 92068 and 97033, proof that information is proprietary requires identification of specific, named competitor(s) who would be advantaged by release of the information and the specific advantage the competitor(s) would provide.

Contract: An agreement between two or more persons to perform a specific act or acts.

Contract Administration: The Management of various facets of contracts to assure that the contractors total performance is in accordance with the contractual commitments and obligations to the purchaser are fulfilled.

Contract Management: Includes reviewing and approving of changes, executing renewals, handling disciplinary actions, adding additional users, and any other form of action that could change the contract.

Contractor: Any person or entity that supplies goods and/or services.

Conversion Period: A period of time not to exceed six (6) months, during which the State converts to a new Operating System under "Conversion" as per this RFP.

Conversion Plan: A work plan provided by the contractor that includes a detailed description of planned activities and deliverables to ensure a successful and timely conversion from the current system to a system under a new contract.

Copy Request: A request by a card issuer to an acquirer for a copy or facsimile of a sales receipt for a disputed transaction. Depending on where sales receipts are stored, the acquirer either fulfills the copy request itself or forwards it to the merchant for fulfillment. A copy request is also known as a retrieval request.

Copyright: A grant to a writer/artist that recognizes sole authorship/creation of a work and protects the creator's interest(s) therein.

Corporate Card: A payment card used for business-related expenses such as travel and entertainment.

Corporate Trade Exchange (CTX): A format is designed for B2B trade payments. It consists of a standard ACH payment transaction and a variable-length message addendum designed to convey remittance information in the Accredited Standards Committee (ASC) X12 data standard. The addenda can accommodate 9,999 records of 80 characters each.

CPU: Any computer or computer system that is used by the State to store, process, or retrieve data or perform other functions using Operating Systems and applications software.

Credit Card: A device issued by a company to an individual or other company that allows the user to purchase goods and services from merchants who accept the card.

Critical Program Error: Any Program Error, whether or not known to the State, which prohibits or significantly impairs use of the Licensed Software as set forth in the documentation and intended in the contract.

Data Transmission: The electronic exchange of information between two data processing points.

Debit Card (Check Card): A device issued by a company (usually a financial institution) to an individual or other company that allows the user to purchase goods and services from merchants who accept the card. The card accesses the user's depository account (DDA/Checking Account) for funding.

Default: The omission or failure to perform a contractual duty.

Demand Deposit Accounts (DDA): Commonly referred to as a checking account, a DDA is a method by which an account holder uses a commercial bank to transfer funds to and receive deposits from a third party

Deviation: Any proposed change(s) or alteration(s) to either the contractual language or deliverables within the scope of this Request for Proposal.

Direct Deposit: An ACH service that provides for the electronic transfer of funds directly into the account of the payee. Typical examples of direct deposit processed by the State include direct deposit of payroll, employee expense reimbursements, State vendor payments, IRS tax payments, and government benefit payment (child support and other NE Health and Human Services aid to individuals or families).

Disaster Recovery: The restoration of systems and communications after an outage or disaster.

Documentation: The user manuals and any other materials in any form or medium customarily provided by the contractor to the users of the Licensed Software which will provide the State with sufficient information to operate, diagnose, and maintain the Licensed Software properly, safely, and efficiently.

Earnings Credit: The total dollar value of credit that can be used to offset the service charges incurred during an analysis period.

Earnings Credit Rate: The rate used by a bank to determine the total dollar value of credit to offset a customer's service charge.

Effective Entry Date: The date the originating company expects payment to take place. The ACH Operator reads the effective entry date to determine the settlement date.

EMV: Europay, MasterCard and Visa. EMV is a standard for interoperation of IC cards ("Chip cards") and IC capable POS terminals and ATMs, for authenticating credit and debit card payments.

Encoding Errors: A check encoded for an amount that does not match the written amount of the check. Either too little or too much money is credited to the bank account when an encoding error is made. In addition; either too little or too much can be credited to the Non-Custodial Parent and recovery may be required or additional monies need to be disbursed.

Encryption: A computer generated algorithm that allows secure communication between parties. The process of encoding electronic transaction information, to allow secure transmission of data over the Internet.

Entry: An electronic item representing the transfer of funds in the ACH network.

Evaluation Committee: A committee (or committees) appointed by the requesting agency that advises and assists the procuring office in the evaluation of proposals.

Evaluation of Proposal: The process of examining a proposal after opening to determine the bidder's responsibility, responsiveness to requirements, and to ascertain other characteristics of the proposal that relate to determination of the successful bidder.

Extension: A provision, or exercise of a provision, of a contract that allows a continuance of the contract (at the option of the State of Nebraska) for an additional time according to contract conditions. Not to be confused with "Renewals."

Field: One or more consecutive character positions within an ACH entry mapped to contain specific information.

File: A group of ACH batches initiated into the ACH Network or sorted for delivery to ACH receiving point(s). A file must be transmitted electronically via data transmission between the sending point and the receiving point. A file may be delivered to an end-point via direct transmission, magnetic stripe, or floppy diskette. A file may contain one or more batches of entries.

Financial Institution: A State or National Bank, a State or Federal Savings and Loan Association, a Mutual Savings bank, or a State or Federal Credit Union chartered to do business in the State of Nebraska.

Fiscal Year: A State of Nebraska fiscal year runs from July 1 of one calendar year to June 30 of the next calendar year.

F.O.B. Destination: Free on Board. The delivery charges have been included in the quoted price and prepaid by the vendor. Vendor is responsible for all claims associated with damages during delivery of product.

Foreign Corporation: A foreign corporation is a corporation that was formed (i.e. incorporated) in another state but transacting business in Nebraska pursuant to a certificate of authority issued by the Nebraska Secretary of State.

Funds Availability: The time at which the funds resulting from an electronic funds transfer are made available to the customer.

Implementation Plan: A comprehensive plan describing the timeline and steps necessary to implement and rollout the project for participating agencies.

Installation Date: The date when the procedures described in “Installation by Contractor, and Installation by State,” as found in the RFP, are completed.

Interchange: The association function that enables members to exchange payment card transaction data and funds on a standardized basis.

Interchange Fee/Rate: The rate defined by the card brands for transactions based on POS characteristics, such as whether the card is present, whether the request was processed electronically, how much the transaction was for and how much data is provided with the financial transaction. The fee charged to the acquirer and paid to the issuer.

International ACH Transaction (IAT): An entry that is part of a payment transaction involving a Financial Agency’s office that is not located in the territorial jurisdiction of the United States.

Internet: An unrestricted, worldwide network that allows access to anyone with the appropriate hardware and software. In essence, the Internet is a collection of many computer networks linked together to form a global communications pathway.

Internet Initiated Entry (Web): One of the ACH entry formats, the Web format is used for payments that can be one-time or recurring debit entries initiated by an Originator pursuant to an authorization obtained from the receiver via a secure Internet session.

Issuer: A financial institution or other authorized entity that issues branded cards to cardholders, and with which each cardholder has an agreement to pay transactions initiated through the use of the card.

IVR: Interactive Voice Response Unit

Julian Date: A numeric day of the year. For example, January 12 has a Julian date of 012.

Key-entered transaction: A transaction that is manually keyed into a point-of-sale device.

Late Proposal: A proposal received at the place specified in the solicitation after the date and time designated for all proposals to be received.

Ledger Balances: Bank balances that reflect all entries to a bank account, regardless of whether the deposited items have been collected and are available for withdrawal.

Licensed Software: Any and all software and documentation by which the State acquires or is granted any rights under the contract.

Liquidated Damages: Damages for the injured party to collect as compensation upon a specific breach or failure to perform certain requirements as stated in the contract.

Location Code: A three-digit code assigned by the State that is used on deposit slips to identify the State agency making a deposit at the bank. The location code must be on the online/internet reporting application and in the CSV exports required by Contractor.

Magnetic Stripe: A magnetic stripe on the back of all cards encoded with account information as specified by Association regulations. The stripe is “read” when a card is swiped through a POS terminal. On a valid card, the account number on the magnetic stripe matches the account number on the front of the card.

Magnetic-Stripe Reader: The component of a point-of-sale device that electronically reads the information on a payment card's magnetic stripe.

Mandatory: Required, compulsory or obligatory.

May: Denotes discretion.

Merchant: An entity that accepts payment cards as payment for goods and services.

Merchant Agreement: The contract between a merchant and a merchant bank under which the merchant participates in the Visa and MasterCard payment system, accepts cards for payment of goods and services, and agrees to abide by certain rules governing the acceptance and processing of Visa transactions. Merchant agreements may stipulate merchant liability with regard to chargebacks and may specify time frames within which merchants are to deposit transactions and respond to requests for information.

Merchant Bank: A financial institution that enters into agreements with merchants in order to accept credit, debit and stored value cards as payment for goods and services; also called acquirers or acquiring banks.

Merchant Number: An identifying number assigned to each merchant. Each department or location that accepts payment cards has its own unique merchant number.

Merchant Processor: A company that handles or provides transaction and sometimes data processing services for merchants.

Misapplied Payments: When an incoming payment is identified as coming from an incorrect Non-Custodial Parent or the credit is recorded incorrectly and the disbursement is sent out to the incorrect Custodial Parent. Upon being identified, the proper credit is given to the correct Non-Custodial Parent. This creates a new correct payment to the correct Custodial Parent. Collection is required on the incorrect payment that and this is referred to as a "misapplied payment."

Module: A collection of routines and data structures that perform a specific function of the Licensed Software.

MOTO (or MO/TO): Mail Order/Telephone Order.

Must: Denotes the imperative, required, compulsory or obligatory.

NACHA: The National Automated Clearing House Association. The national trade association for electronic payments, which establishes rules, industry standards, and procedures governing the exchange of commercial ACH payments by depository financial institutions.

NACHA Formats: The ACH record format specifications described in the NACHA Operating Rules and Guidelines, which are the accepted and warranted payment format standards for payments delivered through the ACH Network.

NCSPC - Nebraska Child Support Payment Center: Also referred to as the SDU (State Disbursement Unit) single entity in each State where support payments are received, receipted, distributed and disbursed. The SDU may be an agency of State government or a vendor under contract with the State's IV-D agency.

NDR: Nebraska Department of Revenue

Nebraska.gov: Serves as the State of Nebraska's official Web portal and network. Oversight for operations of the portal is statutorily assigned to the Nebraska State Records Board (NSRB). The NSRB contracts with Nebraska.gov for the management of the portal.

NSRB - Nebraska State Records Board: A 12-member board consisting of Constitutional Officers, the Director of Administrative Services and six members of the public.

Non-Custodial Parent (NCP): The parent who does not have primary care, custody, or control of the child.

Notification of Change: Information sent by an RDFI to notify the ODFI that previously valid information for a receiver has become outdated or that information contained in a pre-notification is erroneous. The standard entry class code is COR. A Notification of Change is a non-dollar entry sent to the ODFI by the RDFI that contains information for the correction of erroneous information contained within an ACH entry.

OFAC (Office of Foreign Assets Control): The agency of the United States Government concerned with monitoring and controlling the assets and financial transactions of entities deemed to be, or acting on behalf of, enemies of the United States. Certain OFAC regulations affect both ACH and wire transfer transactions.

On-Us Entry: Entry within an ACH file destined for an account held at the ODFI.

Opening Date: Specified date and time for the public opening of received, labeled and sealed formal proposals. Not to be confused with "Release Date".

Operating System: The control program in a computer that provides the interface to the computer hardware and peripheral devices, and the usage and allocation of memory resources, processor resources, input/output resources, and security resources.

Originating Depository Financial Institution (ODFI): A participating financial institution that initiates ACH entries at the request of and by agreement with its customers (Originators). ODFIs must abide by the provisions of the NACHA Operating Rules and Guidelines.

Originator: Any individual, corporation or other entity that initiates entries into the ACH Network.

Outsourcing: Acquiring computing or related services from a source outside of the State of Nebraska which may include programming and/or executing the State's Licensed Software on the State's CPU's, programming, and/or executing the State's programs and Licensed Software on the contractor's CPU's or any mix thereof.

Outsourcing Company: A company that provides Outsourcing Services under contract to the State.

Payee: The Parent or organization in whose name support is paid. An individual authorized to receive a payment from the State

Payor: Any party making a payment to the State either by check, money order, cashier's check, online bill pay, credit card, ACH credit or PPD debit.

Payment Card: A broad term, applying to any magnetic coded card used to make purchases.

Payment Card Industry Data Security Standards (PCI DSS): A comprehensive set of international security requirements for protecting cardholder data. The PCI DSS was developed by the major card brands to help facilitate the broad adoption of consistent data security measures on a global basis.

Payor: Any party making a payment to the State either by check, money order, cashier's check, online bill pay, credit card, ACH credit or PPD debit.

Per Item Charge: Fees paid to the processor on a per transaction basis.

Performance Bond: A bond given by a surety on behalf of the contractor to ensure the timely and proper (in sole estimation of the State) performance of a contract.

PIN: Personal Identification Number used for authentication for ATM/Debit card transactions.

Platform: A specific hardware and Operating System combination that is different from other hardware and Operating System combinations to the extent that a different version of the Licensed Software product is required to execute properly in the environment established by such hardware and Operating System combination.

Point-of-Purchase: A term that refers to the location where payments for goods or services takes place where the purchaser and seller are both present.

POS: The physical or Web location where a sales transaction occurs and payment is authorized.

Posting: The process of recording debits and credits to individual account balances.

Prearranged Payment or Deposit (PPD): One of the ACH entry formats, the PPD format is the payment application by which consumers authorize a company or financial institution to credit or debit an account for normally recurring payments in fixed amounts.

Prearranged Payment or Deposit (PPD+): One of the ACH entry formats, the PPD format is the payment application by which consumers authorize a company or financial institution to credit or debit an account for normally recurring payments in fixed amounts. This format is identical to PPD but with one addenda record.

Pre-notification (Prenote): A non-dollar test entry that may be sent through the ACH Network by an Originator to alert an RDFI that a live-dollar transaction will be forthcoming and that verification of the Receiver's account number is required.

Pre-Proposal Conference: A meeting scheduled for the purpose of providing clarification regarding a Request for Proposal and related expectations.

Processing Costs: The cost the merchant bank incurs to "process" credit card transactions. This includes settlement of items to the Associations, generating merchant statements, chargeback and retrieval processing, National account management team, customer service, training, programming terminals, payment of funds and technical development.

Processor: An organization that is connected to a payment card association and provides authorization, clearing and settlement services on behalf of a member.

Product: A module, a system, or any other software-related item provided by the contractor to the State.

Program Error: Code in Licensed Software which produces unintended results or actions, or which produces results or actions other than those described in the specifications. A program error includes, without limitation, any “Critical Program Error.”

Program Set: The group of programs and products, including the Licensed Software specified in the RFP, plus any additional programs and products licensed by the State under the contract for use by the State.

Project: The total of all software, documentation, and services to be provided by the contractor under this contract.

Proposal: The executed document submitted by a bidder in response to a Request for Proposal.

Proprietary Information: Proprietary information is defined as trade secrets, academic and scientific research work which is in progress and unpublished, and other information which if released would give advantage to business competitors and serve no public purpose (see Neb. Rev. Stat. §84-712.05(3)). In accordance with Attorney General Opinions 92068 and 97033, proof that information is proprietary requires identification of specific, named competitor(s) who would be advantaged by release of the information and the specific advantage the competitor(s) would receive.

Protest: A complaint about a governmental action or decision related to a Request for Proposal or the resultant contract, brought by a prospective bidder, a bidder, a contractor, or other interested party to AS Materiel Division or another designated agency with the intention of achieving a remedial result.

Public Proposal Opening: The process of opening proposals, conducted at the time and place specified in the Request for Proposal, and in the presence of anyone who wishes to attend.

Receiver: An individual, corporation or other entity that has authorized an originator to initiate a credit or debit entry to an account held at an RDFI.

Receiving Depository Financial Institution (RDFI): Any financial institution qualified to receive ACH entries that agrees to abide by the NACHA Operating Rules and Guidelines. The financial institution where the receiver of an ACH transaction holds a deposit account.

Recommended Hardware Configuration: The data processing hardware (including all terminals, auxiliary storage, communication, and other peripheral devices) to the extent utilized by the State as recommended by the contractor.

Refunds: The partial or entire amount of the original sales transaction given back to the cardholder.

Release Date: Date of release of the Request for Proposal to the public for submission of proposal responses. Not to be confused with “Opening Date.”

Renewal: Continuance of a contract for an additional term after a formal signing by the parties.

Representative: Includes an agent, an officer of a corporation or association, a trustee, executor or administrator of an estate, or any other person legally empowered to act for another.

Request for Proposal (RFP): All documents, whether attached or incorporated by reference, utilized for soliciting competitive proposals.

Responsible Bidder: A bidder who has the capability in all respects to perform fully all requirements with integrity and reliability to assure good faith performance.

Responsive Bidder: A bidder who has submitted a bid which conforms in all respects to the solicitation document.

Return Items: Any ACH transaction that cannot be processed and is being returned to the Originator by the RDFI to the ODFI for correction or reinitiating.

Reversal (ACH): Any ACH entries or files sent within required deadlines to “correct” or reverse previously originated erroneous entries or files.

Reversals/Representment (Credit Cards): A chargeback that is rejected and returned to a card issuer by a merchant bank on the merchant’s behalf. A chargeback may be represented, or redeposited, if the merchant or merchant bank can remedy the problem that led to the chargeback.

Routing Number: A nine-digit number (eight digits plus check digit) that identifies a specific financial institution. Also referred to as the ABA number.

Sales Draft/Receipt: The paper form used by the merchant, and signed by the cardholder, to document the transaction.

Settlement (ACH): A transfer of funds between two parties in cash, or on the books of a mutual depository institution, to complete one or more prior transactions, made subject to final accounting.

Settlement (Credit Card): The process of sending the merchant’s batch to the network for processing and payment.

Settlement Date: The date on which an exchange of funds with respect to an entry is reflected on the books of the Federal Reserve Bank.

Shall: Denotes the imperative, required, compulsory or obligatory.

Should: Indicates an expectation.

Solicitation: The process of notifying prospective bidders or offerors that the State of Nebraska wishes to receive proposals for furnishing services. The process may consist of public advertising, posting notices, or mailing Request for Proposals and/or Request for Proposal announcement letter to prospective bidders, or all of these.

Solicitation Document: Request for Proposal.

Specifications: The information provided by or on behalf of the contractor that fully describes the capabilities and functionality of the Licensed Software as set forth in any material provided by the contractor, including the documentation and User’s Manuals described herein.

Split tender: The use of two forms of payment, or legal tender, for a single purchase.

Standard Entry Class Code (SEC): Three-character code within an ACH Company/Batch Header record that identifies payment types within an ACH batch.

System: Any collection or aggregation of two (2) or more Modules that is designed to function, or is represented by the contractor as functioning or being capable of functioning as an entity.

Taxpayer ID Number: Individual social security number, corporate Federal or State tax ID number.

Terminal: The POS equipment used to capture, transmit, and store payment card transactions.

Termination: Occurs when either party pursuant to a power created by agreement or law puts an end to the contract. All obligations which are still executory on both sides are discharged but any right based on prior breach or performance survives.

Trademark: A distinguishing sign, symbol, mark, word, or arrangement of words in the form of a label or other indication, that is adopted and used by a manufacturer or distributor to designate its particular goods and which no other person has the legal right to use.

Trade Secret: Information, including, but not limited to, a drawing, formula, pattern, compilation, program, device, method, technique, code, or process that; (a) derives independent economic value, actual or potential, from not being known to, and not being ascertainable by proper means, other persons who can obtain economic value from its disclosure or use; and (b) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy (see Neb. Rev. Stat. §87-502(4)).

Transaction (as it relates to credit cards): The act between a cardholder and merchant that results in the sale of goods or services.

Trap file: Provided by the ODFI to the State agencies using this service daily as a standard NACHA formatted ACH file. These files contain all of the ACH credit transactions for all of the bank accounts designated for the Nebraska Department of Revenue.

Universal Payment Identification Code (UPIC): A permanent and secure bank account identifier issued by financial institutions to allow organizations to receive electronic payments without divulging sensitive bank information. UPICs mask the confidential bank routing number and account information, reducing the risk of fraud while facilitating secure electronic payments. UPICs are restricted to credit payments, preventing unauthorized debits, checks or demand drafts, and wires. The Electronic Payment Network (EPN) developed the UPIC.

Upgrade: Any improvement or change in the Software that improves or alters its basic function.

Vendor: An actual or potential contractor; a contractor.

Warrant: A legal instrument by which State government satisfies its financial obligations. Unlike a check, the warrant is a claim against the State Treasury and is subject to payment at the Treasurer's discretion.

Will: Denotes the imperative, required, compulsory or obligatory.

Zero Balance Accounts (ZBAs): A collection account on which the balance is maintained at zero or a small balance. A transfer of funds is made to a master account each banking day netting out the credits and debits at the close of business.

I. SCOPE OF THE REQUEST FOR PROPOSAL

The State of Nebraska, Administrative Services (AS), Materiel Division, Purchasing Bureau (hereafter known as State Purchasing Bureau), is issuing this Request for Proposal, RFP Number 4404Z1 for the purpose of selecting a qualified contractor or contractors to provide ACH Origination Services and Credit Card Processing Services. The State is requesting a separate proposal for each service. In addition, a package proposal for both services may be submitted.

A contract or contracts resulting from this Request for Proposal for ACH Origination Services will be issued for a period of five (5) years effective August 31, 2014 through August 31, 2019, with the option to renew for two (2) additional one (1) year periods as mutually agreed upon by all parties. Contract resulting for the Credit Card Processing will be issued for a period of five (5) years effective July 1, 2014, through June 30, 2019, with the option to renew for two (2) additional one (1) year (1) periods as mutually agreed by all parties.

ALL INFORMATION PERTINENT TO THIS REQUEST FOR PROPOSAL CAN BE FOUND ON THE INTERNET AT: <http://das.nebraska.gov/materiel/purchasing/rfp.htm>

A. SCHEDULE OF EVENTS

The State expects to adhere to the tentative procurement schedule shown below. It should be noted, however, that some dates are approximate and subject to change.

ACTIVITY		DATE/TIME
1.	Release Request for Proposal	June 3, 2013
2.	Last day to submit 1 st set of written questions	June 14, 2013
3.	State responds to 1 st set of written questions through Request for Proposal "Addendum" and/or "Amendment" to be posted to the Internet at: http://das.nebraska.gov/materiel/purchasing/rfp.htm	June 28, 2013
4.	Last day to submit 2 nd set of written questions	July 12, 2013
5.	State responds to 2nd set of written questions through Request for Proposal "Addendum" and/or "Amendment" to be posted to the Internet at: http://das.nebraska.gov/materiel/purchasing/rfp.htm	July 26, 2013
6.	Last day to submit "Letter of Intent to Bid"	July 26, 2013
7.	Proposal opening Location: Nebraska State Office Building State Purchasing Bureau 301 Centennial Mall South, Mall Level Lincoln, NE 68508	August 5, 2013 2:00 PM Central Time
8.	Review for conformance of mandatory requirements	August 5, 2013
9.	Evaluation period	August 6, 2013 - September 8, 2013
10.	"Oral Interviews/Presentations and/or Demonstrations" (if required)	September 9, 2013 - October 14, 2013
11.	Post "Letter of Intent to Contract" to Internet at: http://das.nebraska.gov/materiel/purchasing/rfp.htm	October 18, 2013
12.	Performance bond submission	November 1, 2013
13.	Contract award	November 30, 2013
14.	Contractor start date	Credit Card Processing July 1, 2014; ACH Services August 31, 2014

II. PROCUREMENT PROCEDURES

A. PROCURING OFFICE AND CONTACT PERSON

Procurement responsibilities related to this Request for Proposal reside with the State Purchasing Bureau. The point of contact for the procurement is as follows:

Name: Mary Lanning/Peter Kroll
Agency: State Purchasing Bureau
Address: 301 Centennial Mall South, Mall Level
Lincoln, NE 68508

OR

Address: P.O. Box 94847
Lincoln, NE 68509
Telephone: 402-471-2401
Facsimile: 402-471-2089
Email: as.materielpurchasing@nebraska.gov

B. GENERAL INFORMATION

The Request for Proposal is designed to solicit proposals from qualified vendors who will be responsible for providing ACH Origination Services and Credit Card Processing Services at a competitive cost with outstanding service.

Two independent services are included in this RFP. The State is requesting a separate proposal for each service. A contractor is also invited, but not required, to make a package proposal for both services.

Proposals that do not conform to the mandatory items as indicated in the Request for Proposal will not be considered.

Proposals shall conform to all instructions, conditions, and requirements included in the Request for Proposal. Prospective bidders are expected to carefully examine all documentation, schedules and requirements stipulated in this Request for Proposal, and respond to each requirement in the format prescribed.

A fixed-price contract will be awarded as a result of this proposal. In addition to the provisions of this Request for Proposal and the awarded proposal, which shall be incorporated by reference in the contract, any additional clauses or provisions required by the terms and conditions will be included as an amendment to the contract.

C. COMMUNICATION WITH STATE STAFF

From the date the Request for Proposal is issued until a determination is announced regarding the selection of the contractor, contact regarding this project between potential contractors and individuals employed by the State is restricted to only written communication with the staff designated above as the point of contact for this Request for Proposal.

Once a contractor is preliminarily selected, as documented in the intent to contract, that contractor is restricted from communicating with State staff until a contract is signed. Violation of this condition may be considered sufficient cause to reject a contractor's proposal and/or selection irrespective of any other condition.

The following exceptions to these restrictions are permitted:

1. Written communication with the person(s) designated as the point(s) of contact for this Request for Proposal or procurement;
2. Contacts made pursuant to any pre-existing contracts or obligations; and
3. State-requested presentations, key personnel interviews, clarification sessions or discussions to finalize a contract.

Violations of these conditions may be considered sufficient cause to reject a bidder's proposal and/or selection irrespective of any other condition. No individual member of the State, employee of the State, or member of the Evaluation Committee is empowered to make binding statements regarding this Request for Proposal. The buyer will issue any clarifications or opinions regarding this Request for Proposal in writing.

D. NOTIFICATION OF INTENT TO BID

Bidders should hand deliver, return by facsimile, e-mail or delivery by US mail the "Notification of Intent to Bid Form" that accompanies this document (see Form B) to the contact person shown on the cover page of the Request For Proposal Form. This form should be filled out in its entirety and returned no later than the date shown in the Schedule of Events.

It is preferred that Form B, Notification of Intent To Bid, be sent via e-mail to as.materielpurchasing@nebraska.gov, but may be hand delivered, sent via facsimile to 402-471-2089 or delivery by US mail.

A list of vendors who submitted a Notification of Intent to Bid will be provided through an addendum to be posted on the Internet at <http://das.nebraska.gov/materiel/purchasing/rfp.htm> on or after the date shown in the Schedule of Events.

E. WRITTEN QUESTIONS AND ANSWERS

Any explanation desired by a bidder regarding the meaning or interpretation of any Request for Proposal provision must be submitted in writing to the State Purchasing Bureau and clearly marked "RFP Number 4404Z1; ACH Origination Services and Credit Card Processing Services Questions." It is preferred that questions be sent via e-mail to as.materielpurchasing@nebraska.gov. Questions may also be sent by facsimile to 402-471-2089, but must include a cover sheet clearly indicating that the transmission is to the attention of Mary Lanning/Peter Kroll, showing the total number of pages transmitted, and clearly marked "RFP Number 4404Z1; ACH Origination Services and Credit Card Processing Services Questions."

Note: Bidders should specify the exact section of the RFP the question is referencing. I.e., If the bidder was seeking clarification or additional information regarding this section, the bidder would reference Section I. SCOPE OF THE REQUEST FOR PROPOSAL, E. WRITTEN QUESTIONS AND ANSWERS.

Written answers will be provided through an addendum to be posted on the Internet at <http://das.nebraska.gov/materiel/purchasing/rfp.htm> on or before the date shown in the Schedule of Events.

F. ORAL INTERVIEWS/PRESENTATIONS AND/OR DEMONSTRATIONS

The Evaluation Committee(s) may conclude after the completion of the Technical and Cost Proposal evaluation that oral interviews/presentations and/or demonstrations are required in order to determine the successful bidder. All bidders may not have an opportunity to interview/present and/or give demonstrations; the State reserves the right to select only the top scoring bidders to present/give oral interviews in its sole discretion. The scores from the oral interviews/presentations and/or demonstrations will be added to the scores from the

Technical and Cost Proposals. The presentation process will allow the bidders to demonstrate their proposal offering, explaining and/or clarifying any unusual or significant elements related to their proposals. Bidders' key personnel may be requested to participate in a structured interview to determine their understanding of the requirements of this proposal, their authority and reporting relationships within their firm, and their management style and philosophy. Bidders shall not be allowed to alter or amend their proposals. Only representatives of the State and the presenting bidders will be permitted to attend the oral interviews/presentations and/or demonstrations.

Once the oral interviews/presentations and/or demonstrations have been completed the State reserves the right to make a contract award without any further discussion with the bidders regarding the proposals received.

Detailed notes of oral interviews/presentations and/or demonstrations may be recorded and supplemental information (such as briefing charts, et cetera) may be accepted; however, such supplemental information shall not be considered an amendment to a bidders' proposal. Additional written information gathered in this manner shall not constitute replacement of proposal contents.

Any cost incidental to the oral interviews/presentations and/or demonstrations shall be borne entirely by the bidder and will not be compensated by the State.

G. SUBMISSION OF PROPOSALS

The following describes the requirements related to proposal submission, proposal handling and review by the State.

To facilitate the proposal evaluation process, one (1) original, clearly identified as such, and ten (10) copies of the entire proposal should be submitted. The copy marked "original" shall take precedence over any other copies, should there be a discrepancy. Proposals must be submitted by the proposal due date and time. A separate sheet must be provided that clearly states which sections have been submitted as proprietary or have copyrighted materials. All proprietary information the bidder wishes the State to withhold must be submitted in accordance with the instructions outlined in Section III, Proprietary Information. Proposal responses should include the completed Form A, Bidder Contact Sheet. Proposals must reference the Request For Proposal number and be sent to the specified address. Container(s) utilized for original documents should be clearly marked "ORIGINAL DOCUMENTS". Please note that the address label should appear as specified in Section II part A on the face of each container or bidder's bid response packet. Rejected late proposals will be returned to the bidder unopened, if requested, at bidder's expense. If a recipient phone number is required for delivery purposes, 402-471-2401 should be used. The request for proposal number must be included in all correspondence.

Emphasis should be concentrated on conformance to the Request for Proposal instructions, responsiveness to requirements, completeness and clarity of content. If the bidder's proposal is presented in such a fashion that makes evaluation difficult or overly time consuming, it is likely that points will be lost in the evaluation process. Elaborate and lengthy proposals are neither necessary nor desired.

The Technical and Cost Proposals should be packaged separately (loose-leaf binders are preferred) on standard 8 ½" by 11" paper, except that charts, diagrams and the like may be on fold-outs which, when folded, fit into the 8 ½" by 11" format. Pages may be consecutively numbered for the entire proposal, or may be numbered consecutively within sections. Figures and tables must be numbered and referenced in the text by that number. They should be placed as close as possible to the referencing text. The Technical Proposal must not contain

any reference to dollar amounts. However, information such as data concerning labor hours and categories, materials, subcontracts and so forth, shall be considered in the Technical Proposal so that the bidder's understanding of the scope of work may be evaluated. The Technical Proposal shall disclose the bidder's technical approach in as much detail as possible, including, but not limited to, the information required by the Technical Proposal instructions.

Important: This RFP provides three (3) options for bidding:

1. **Option A, ACH Origination Services,**
2. **Option B, Credit Card Processing**
3. **Option C ACH Origination Services and Credit Card Processing.**

Bidders may bid on any or all options. In order for a bidder to be considered for more than one option, a complete, separate proposal (Corporate, Executive, Technical, and Cost) must be submitted for EACH option. Each proposal submitted must clearly identify which option is being bid.

H. PROPOSAL OPENING

The sealed proposals will be publicly opened and the bidding entities announced on the date, time and location shown in the Schedule of Events. Proposals will be available for viewing by those present after the proposal opening. Vendors may also contact the State to schedule an appointment for viewing proposals after the opening date.

I. LATE PROPOSALS

Proposals received after the time and date of the proposal opening will be considered late proposals. Rejected late proposals will be returned to the bidder unopened, if requested, at bidder's expense. The State is not responsible for proposals that are late or lost due to mail service inadequacies, traffic or any other reason(s).

J. REJECTION OF PROPOSALS

The State reserves the right to reject any or all proposals, wholly or in part, or to award to multiple bidders in whole or in part. The State reserves the right to waive any deviations or errors that are not material, do not invalidate the legitimacy of the proposal and do not improve the bidder's competitive position. All awards will be made in a manner deemed in the best interest of the State.

K. EVALUATION OF PROPOSALS

All responses to this Request for Proposal which fulfill all mandatory requirements will be evaluated. Each category will have a maximum possible point potential. **The State will evaluate all proposals submitted within each separate option (Option A, ACH Origination Services (Exhibit 4), Option B, Credit Card Processing (Exhibit 6), Option C ACH Origination Services (Exhibit 4) and Credit Card Processing (Exhibit 6)** The State will conduct a fair, impartial and comprehensive evaluation of all proposals in accordance with the criteria set forth below. Areas that will be addressed and scored during the evaluation include:

1. Executive Summary;
2. Corporate Overview shall include but is not limited to;
 - a. the ability, capacity and skill of the bidder to deliver and implement the system or project that meets the requirements of the Request for Proposal;
 - b. the character, integrity, reputation, judgment, experience and efficiency of the bidder;

- c. whether the bidder can perform the contract within the specified time frame;
 - d. the quality of bidder performance on prior contracts;
 - e. such other information that may be secured and that has a bearing on the decision to award the contract;
- 3. Technical Approach; and
 - 4. Cost Proposal.

Evaluation criteria will become public information at the time of the Request for Proposal opening. Evaluation criteria and a list of respondents will be posted to the State Purchasing Bureau website at <http://das.nebraska.gov/materiel/purchasing/rfp.htm>. Evaluation criteria will not be released prior to the proposal opening.

L. EVALUATION COMMITTEE

Proposals will be independently evaluated by members of the Evaluation Committee(s). The committee(s) will consist of staff with the appropriate expertise to conduct such proposal evaluations. Names of the members of the Evaluation Committee(s) will not become public information.

Prior to award, bidders are advised that only the point of contact indicated on the front cover of this Request For Proposal For Contractual Services Form can clarify issues or render any opinion regarding this Request for Proposal. No individual member of the State, employee of the State or member of the Evaluation Committee(s) is empowered to make binding statements regarding this Request for Proposal.

M. MANDATORY REQUIREMENTS

The proposals will first be examined to determine if all mandatory requirements listed below have been addressed to warrant further evaluation. Proposals not meeting mandatory requirements will be excluded from further evaluation. The mandatory requirement items are as follows:

- 1. Signed, in ink Request For Proposal For Contractual Services form;
- 2. Executive Summary;
- 3. Corporate Overview;
- 4. Technical Approach; and
- 5. Cost Proposal.

N. REFERENCE CHECKS

The State reserves the right to check any reference(s), regardless of the source of the reference information, including but not limited to, those that are identified by the company in the proposal, those indicated through the explicitly specified contacts, those that are identified during the review of the proposal, or those that result from communication with other entities involved with similar projects.

Information to be requested and evaluated from references may include, but is not limited to, some or all of the following: project description and background, job performed, functional and technical abilities, communication skills and timeliness, cost and schedule estimates and accuracy, implementation problems (poor quality deliverables, contract disputes, work stoppages, et cetera), overall performance, and whether or not the reference would rehire the firm or individual. Only top scoring bidders may receive reference checks and negative references may eliminate bidders from consideration for award.

O. SECRETARY OF STATE/TAX COMMISSIONER REGISTRATION REQUIREMENTS

All bidders shall be authorized to transact business in the State of Nebraska. All bidders are expected to comply with all Nebraska Secretary of State registration requirements. It is the responsibility of the bidder to comply with any registration requirements pertaining to types of business entities (e.g. person, partnership, foreign or domestic limited liability company, association, or foreign or domestic corporation or other type of business entity). The Bidder who is the recipient of an Intent to Award will be required to certify that it has so complied and produce a true and exact copy of its current (within 90 days), valid Certificate of Good Standing or Letter of Good Standing; or in the case registration is not required, to provide, in writing, the reason as to why none is required. This must be accomplished prior to the award of the contract. Construction contractors are expected to meet all applicable requirements of the Nebraska Contractor Registration Act and provide a current, valid certificate of registration. Further, all bidders shall comply with any and all other applicable Nebraska statutes regarding transacting business in the State of Nebraska. Bidders should submit the above certification(s) with their bid.

P. VIOLATION OF TERMS AND CONDITIONS

Violation of the terms and conditions contained in this Request for Proposal or any resultant contract, at any time before or after the award, shall be grounds for action by the State which may include, but is not limited to, the following:

1. rejection of a bidder's proposal;
2. suspension of the bidder from further bidding with the State for the period of time relative to the seriousness of the violation, such period to be within the sole discretion of the State.

III. TERMS AND CONDITIONS

By signing the "Request For Proposal For Contractual Services" form, the bidder guarantees compliance with the provisions stated in this Request for Proposal, agrees to the terms and conditions and certifies bidder maintains a drug free work place environment.

Bidders are expected to closely read the Terms and Conditions and provide a binding signature of intent to comply with the Terms and Conditions; provided, however, a bidder may indicate any exceptions to the Terms and Conditions by (1) clearly identifying the term or condition by subsection, (2) including an explanation for the bidder's inability to comply with such term or condition which includes a statement recommending terms and conditions the bidder would find acceptable. Rejection in whole or in part of the Terms and Conditions may be cause for rejection of a bidder's proposal.

A. GENERAL

_____ Accept (Initial) _____ Reject (Initial) _____ Reject and Provide Alternative within RFP Response (Initial)

The contract resulting from this Request for Proposal shall incorporate the following documents:

1. Amendment to Contract Award with the most recent dated amendment having the highest priority;
2. Contract Award and any attached Addenda;
3. The signed, in ink Request for Proposal form and the Contractor's Proposal;
4. Amendments to RFP and any Questions and Answers; and
5. The original RFP document and any Addenda.

These documents constitute the entirety of the contract.

Unless otherwise specifically stated in a contract amendment, in case of any conflict between the incorporated documents, the documents shall govern in the following order of preference with number one (1) receiving preference over all other documents and with each lower numbered document having preference over any higher numbered document: 1) Amendment to Contract Award with the most recent dated amendment having the highest priority, 2) Contract Award and any attached Addenda, 3) the signed Request for Proposal form and the Contractor's Proposal, 4) Amendments to RFP and any Questions and Answers, 5) the original RFP document and any Addenda.

Any ambiguity in any provision of this contract which shall be discovered after its execution shall be resolved in accordance with the rules of contract interpretation as established in the State of Nebraska.

Once proposals are opened they become the property of the State of Nebraska and will not be returned.

B. AWARD

_____ Accept (Initial) _____ Reject (Initial) _____ Reject and Provide Alternative within RFP Response (Initial)

All purchases, leases, or contracts which are based on competitive proposals will be awarded according to the provisions in the Request for Proposal. The State reserves the right to reject any or all proposals, wholly or in part, or to award to multiple bidders in whole or in part, and at its discretion, may withdraw or amend the Request for Proposal at any time. The State reserves the right to waive any deviations or errors that are not material, do not invalidate the

legitimacy of the proposal, and do not improve the bidder's competitive position. All awards will be made in a manner deemed in the best interest of the State. The Request for Proposal does not commit the State to award a contract. If, in the opinion of the State, revisions or amendments will require substantive changes in proposals, the due date may be extended.

By submitting a proposal in response to this Request for Proposal, the bidder grants to the State the right to contact or arrange a visit in person with any or all of the bidder's clients.

Once an intent to award decision has been determined, it will be posted to the Internet at:
<http://www.das.state.ne.us/materiel/purchasing/rfp.htm>

Grievance and protest procedure is available on the Internet at:
<http://www.das.state.ne.us/materiel/purchasing/agency services procurement manual/Protest Grievance Procedure For Services.doc>

Any protests must be filed by a vendor within ten (10) calendar days after the intent to award decision is posted to the Internet.

C. COMPLIANCE WITH CIVIL RIGHTS LAWS AND EQUAL OPPORTUNITY EMPLOYMENT / NONDISCRIMINATION

_____ Accept (Initial) _____ Reject (Initial) _____ Reject and Provide Alternative within RFP Response (Initial)

The contractor shall comply with all applicable local, State and Federal statutes and regulations regarding civil rights laws and equal opportunity employment. The Nebraska Fair Employment Practice Act prohibits contractors of the State of Nebraska, and their subcontractors, from discriminating against any employee or applicant for employment, with respect to hire, tenure, terms, conditions or privileges of employment because of race, color, religion, sex, disability, or national origin (Neb. Rev. Stat. §48-1101 to 48-1125). The contractor guarantees compliance with the Nebraska Fair Employment Practice Act, and breach of this provision shall be regarded as a material breach of contract. The contractor shall insert a similar provision in all subcontracts for services to be covered by any contract resulting from this Request for Proposal.

D. PERMITS, REGULATIONS, LAWS

_____ Accept (Initial) _____ Reject (Initial) _____ Reject and Provide Alternative within RFP Response (Initial)

The contractor shall procure and pay for all permits, licenses and approvals necessary for the execution of the contract. The contractor shall comply with all applicable local, state, and federal laws, ordinances, rules, orders and regulations.

E. OWNERSHIP OF INFORMATION AND DATA

_____ Accept (Initial) _____ Reject (Initial) _____ Reject and Provide Alternative within RFP Response (Initial)

The State of Nebraska shall have the unlimited right to publish, duplicate, use and disclose all information and data developed or derived by the contractor pursuant to this contract.

The contractor must guarantee that it has the full legal right to the materials, supplies, equipment, and other rights or titles (e.g. rights to licenses transfer or assign deliverables) necessary to execute this contract. The contract price shall, without exception, include compensation for all royalties and costs arising from patents, trademarks and copyrights that

are in any way involved in the contract. It shall be the responsibility of the contractor to pay for all royalties and costs, and the State must be held harmless from any such claims.

F. INSURANCE REQUIREMENTS

_____ Accept (Initial) _____ Reject (Initial) _____ Reject and Provide Alternative within RFP Response (Initial)

The contractor shall not commence work under this contract until he or she has obtained all the insurance required hereunder and such insurance has been approved by the State. If contractor will be utilizing any subcontractors, the contractor is responsible for obtaining the certificate(s) of insurance required herein under from any and all subcontractor(s). Contractor is also responsible for ensuring subcontractor(s) maintain the insurance required until completion of the contract requirements. The contractor shall not allow any subcontractor to commence work on his or her subcontract until all similar insurance required of the subcontractor has been obtained and approved by the contractor. Approval of the insurance by the State shall not limit, relieve or decrease the liability of the contractor hereunder.

If by the terms of any insurance a mandatory deductible is required, or if the contractor elects to increase the mandatory deductible amount, the contractor shall be responsible for payment of the amount of the deductible in the event of a paid claim.

1. WORKERS' COMPENSATION INSURANCE

The contractor shall take out and maintain during the life of this contract the statutory Workers' Compensation and Employer's Liability Insurance for all of the contractors' employees to be engaged in work on the project under this contract and, in case any such work is sublet, the contractor shall require the subcontractor similarly to provide Worker's Compensation and Employer's Liability Insurance for all of the subcontractor's employees to be engaged in such work. This policy shall be written to meet the statutory requirements for the state in which the work is to be performed, including Occupational Disease. This policy shall include a waiver of subrogation in favor of the State. The amounts of such insurance shall not be less than the limits stated hereinafter.

2. COMMERCIAL GENERAL LIABILITY INSURANCE AND COMMERCIAL AUTOMOBILE LIABILITY INSURANCE

The contractor shall take out and maintain during the life of this contract such Commercial General Liability Insurance and Commercial Automobile Liability Insurance as shall protect contractor and any subcontractor performing work covered by this contract from claims for damages for bodily injury, including death, as well as from claims for property damage, which may arise from operations under this contract, whether such operation be by the contractor or by any subcontractor or by anyone directly or indirectly employed by either of them, and the amounts of such insurance shall not be less than limits stated hereinafter.

The Commercial General Liability Insurance shall be written on an occurrence basis, and provide Premises/Operations, Products/Completed Operations, Independent Contractors, Personal Injury and Contractual Liability coverage. The policy shall include the State, and others as required by the Contract Documents, as an Additional Insured. This policy shall be primary, and any insurance or self-insurance carried by the State shall be considered excess and non-contributory. The Commercial Automobile Liability Insurance shall be written to cover all Owned, Non-owned and Hired vehicles.

3. INSURANCE COVERAGE AMOUNTS REQUIRED

a. WORKERS' COMPENSATION AND EMPLOYER'S LIABILITY

Coverage A	Statutory
Coverage B	
Bodily Injury by Accident	\$100,000 each accident
Bodily Injury by Disease	\$500,000 policy limit
Bodily Injury by Disease	\$100,000 each employee

b. COMMERCIAL GENERAL LIABILITY

General Aggregate	\$2,000,000
Products/Completed Operations Aggregate	\$2,000,000
Personal/Advertising Injury	\$1,000,000 any one person
Bodily Injury/Property Damage	\$1,000,000 per occurrence
Fire Damage	\$50,000 any one fire
Medical Payments	\$5,000 any one person

c. COMMERCIAL AUTOMOBILE LIABILITY

Bodily Injury/Property Damage	\$1,000,000 combined single limit
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d. UMBRELLA/EXCESS LIABILITY

Over Primary Insurance	\$1,000,000 per occurrence
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4. EVIDENCE OF COVERAGE

The contractor should furnish the State, with their proposal response, a certificate of insurance coverage complying with the above requirements to the attention of the Buyer, Administrative Services, State Purchasing Bureau, 301 Centennial Mall S, 1st Fl, Lincoln, NE 68508 (facsimile 402-471-2089). These certificates or the cover sheet shall reference the RFP number, and the certificates shall include the name of the company, policy numbers, effective dates, dates of expiration and amounts and types of coverage afforded. If the State is damaged by the failure of the contractor to maintain such insurance, then the contractor shall be responsible for all reasonable costs properly attributable thereto.

Notice of cancellation of any required insurance policy must be submitted to Administrative Services State Purchasing Bureau when issued, and a new coverage binder shall be submitted immediately to ensure no break in coverage.

G. COOPERATION WITH OTHER CONTRACTORS

_____ Accept (Initial) _____ Reject (Initial) _____ Reject and Provide Alternative within RFP Response (Initial)

The State may already have in place or choose to award supplemental contracts for work related to this Request for Proposal, or any portion thereof.

1. The State reserves the right to award the contract jointly between two or more potential contractors, if such an arrangement is in the best interest of the State.
2. The contractor shall agree to cooperate with such other contractors, and shall not commit or permit any act which may interfere with the performance of work by any other contractor.

H. INDEPENDENT CONTRACTOR

_____ Accept (Initial) _____ Reject (Initial) _____ Reject and Provide Alternative within RFP Response (Initial)

It is agreed that nothing contained herein is intended or should be construed in any manner as creating or establishing the relationship of partners between the parties hereto. The contractor represents that it has, or will secure at its own expense, all personnel required to perform the services under the contract. The contractor's employees and other persons engaged in work or services required by the contractor under the contract shall have no contractual relationship with the State; they shall not be considered employees of the State.

All claims on behalf of any person arising out of employment or alleged employment (including without limit claims of discrimination against the contractor, its officers or its agents) shall in no way be the responsibility of the State. The contractor will hold the State harmless from any and all such claims. Such personnel or other persons shall not require nor be entitled to any compensation, rights or benefits from the State including without limit, tenure rights, medical and hospital care, sick and vacation leave, severance pay or retirement benefits.

I. CONTRACTOR RESPONSIBILITY

_____ Accept (Initial) _____ Reject (Initial) _____ Reject and Provide Alternative within RFP Response (Initial)

The contractor is solely responsible for fulfilling the contract, with responsibility for all services offered and products to be delivered as stated in the Request for Proposal, the contractor's proposal, and the resulting contract. The contractor shall be the sole point of contact regarding all contractual matters.

If the contractor intends to utilize any subcontractors' services, the subcontractors' level of effort, tasks and time allocation must be clearly defined in the contractor's proposal. The contractor shall agree that it will not utilize any subcontractors not specifically included in its proposal, in the performance of the contract, without the prior written authorization of the State. Following execution of the contract, the contractor shall proceed diligently with all services and shall perform such services with qualified personnel in accordance with the contract.

J. CONTRACTOR PERSONNEL

_____ Accept (Initial) _____ Reject (Initial) _____ Reject and Provide Alternative within RFP Response (Initial)

The contractor warrants that all persons assigned to the project shall be employees of the contractor or specified subcontractors, and shall be fully qualified to perform the work required herein. Personnel employed by the contractor to fulfill the terms of the contract shall remain under the sole direction and control of the contractor. The contractor shall include a similar provision in any contract with any subcontractor selected to perform work on the project.

Personnel commitments made in the contractor's proposal shall not be changed without the prior written approval of the State. Replacement of key personnel, if approved by the State, shall be with personnel of equal or greater ability and qualifications.

The State reserves the right to require the contractor to reassign or remove from the project any contractor or subcontractor employee.

In respect to its employees, the contractor agrees to be responsible for the following:

1. any and all employment taxes and/or other payroll withholding;
2. any and all vehicles used by the contractor's employees, including all insurance required by state law;
3. damages incurred by contractor's employees within the scope of their duties under the contract;
4. maintaining workers' compensation and health insurance and submitting any reports on such insurance to the extent required by governing State law; and
5. determining the hours to be worked and the duties to be performed by the contractor's employees.

Notice of cancellation of any required insurance policy must be submitted to the State when issued and a new coverage binder shall be submitted immediately to ensure no break in coverage.

K. STATE OF NEBRASKA PERSONNEL RECRUITMENT PROHIBITION

_____ Accept (Initial) _____ Reject (Initial) _____ Reject and Provide Alternative within RFP Response (Initial)

The contractor shall not, at any time, recruit or employ any State employee or agent who has worked on the Request for Proposal or project, or who had any influence on decisions affecting the Request for Proposal or project.

L. CONFLICT OF INTEREST

_____ Accept (Initial) _____ Reject (Initial) _____ Reject and Provide Alternative within RFP Response (Initial)

By submitting a proposal, bidder certifies that there does not now exist any relationship between the bidder and any person or entity which is or gives the appearance of a conflict of interest related to this Request for Proposal or project.

The bidder certifies that it shall not take any action or acquire any interest, either directly or indirectly, which will conflict in any manner or degree with the performance of its services hereunder or which creates an actual or appearance of conflict of interest.

The bidder certifies that it will not employ any individual known by bidder to have a conflict of interest.

M. PROPOSAL PREPARATION COSTS

_____ Accept (Initial) _____ Reject (Initial) _____ Reject and Provide Alternative within RFP Response (Initial)

The State shall not incur any liability for any costs incurred by bidders in replying to this Request for Proposal, in the demonstrations, or oral presentations, or in any other activity related to bidding on this Request for Proposal.

N. ERRORS AND OMISSIONS

_____ Accept (Initial) _____ Reject (Initial) _____ Reject and Provide Alternative within RFP Response (Initial)

The bidder shall not take advantage of any errors and/or omissions in this Request for Proposal or resulting contract. The bidder must promptly notify the State of any errors and/or omissions that are discovered.

O. BEGINNING OF WORK

_____ Accept (Initial) _____ Reject (Initial) _____ Reject and Provide Alternative within RFP Response (Initial)

The bidder shall not commence any billable work until a valid contract has been fully executed by the State and the successful contractor. The contractor will be notified in writing when work may begin.

P. ASSIGNMENT BY THE STATE

_____ Accept (Initial) _____ Reject (Initial) _____ Reject and Provide Alternative within RFP Response (Initial)

The State shall have the right to assign or transfer the contract or any of its interests herein to any agency, board, commission, or political subdivision of the State of Nebraska. There shall be no charge to the State for any assignment hereunder.

Q. ASSIGNMENT BY THE CONTRACTOR

_____ Accept (Initial) _____ Reject (Initial) _____ Reject and Provide Alternative within RFP Response (Initial)

The contractor may not assign, voluntarily or involuntarily, the contract or any of its rights or obligations hereunder (including without limitation rights and duties of performance) to any third party, without the prior written consent of the State, which will not be unreasonably withheld.

R. DEVIATIONS FROM THE REQUEST FOR PROPOSAL

_____ Accept (Initial) _____ Reject (Initial) _____ Reject and Provide Alternative within RFP Response (Initial)

The requirements contained in the Request for Proposal become a part of the terms and conditions of the contract resulting from this Request for Proposal. Any deviations from the Request for Proposal must be clearly defined by the bidder in its proposal and, if accepted by the State, will become part of the contract. Any specifically defined deviations must not be in conflict with the basic nature of the Request for Proposal or mandatory requirements. "Deviation", for the purposes of this RFP, means any proposed changes or alterations to either the contractual language or deliverables within the scope of this RFP. The State discourages deviations and reserves the right to reject proposed deviations.

S. GOVERNING LAW

_____ Accept (Initial) _____ Reject (Initial) _____ Reject and Provide Alternative within RFP Response (Initial)

The contract shall be governed in all respects by the laws and statutes of the State of Nebraska. Any legal proceedings against the State of Nebraska regarding this Request for Proposal or any resultant contract shall be brought in the State of Nebraska administrative or judicial forums as defined by State law. The contractor must be in compliance with all Nebraska statutory and regulatory law.

T. ATTORNEY'S FEES

_____ Accept (Initial) _____ Reject (Initial) _____ Reject and Provide Alternative within RFP Response (Initial)

In the event of any litigation, appeal or other legal action to enforce any provision of the contract, the contractor agrees to pay all expenses of such action, as permitted by law, including attorney's fees and costs, if the State is the prevailing party.

U. ADVERTISING

_____ Accept (Initial) _____ Reject (Initial) _____ Reject and Provide Alternative within RFP Response (Initial)

The contractor agrees not to refer to the contract award in advertising in such a manner as to state or imply that the company or its services are endorsed or preferred by the State. News releases pertaining to the project shall not be issued without prior written approval from the State.

V. STATE PROPERTY

_____ Accept (Initial) _____ Reject (Initial) _____ Reject and Provide Alternative within RFP Response (Initial)

The contractor shall be responsible for the proper care and custody of any State-owned property which is furnished for the contractor's use during the performance of the contract. The contractor shall reimburse the State for any loss or damage of such property, normal wear and tear is expected.

W. SITE RULES AND REGULATIONS

_____ Accept (Initial) _____ Reject (Initial) _____ Reject and Provide Alternative within RFP Response (Initial)

The contractor shall use its best efforts to ensure that its employees, agents and subcontractors comply with site rules and regulations while on State premises. If the contractor must perform on-site work outside of the daily operational hours set forth by the State, it must make arrangements with the State to ensure access to the facility and the equipment has been arranged. No additional payment will be made by the State on the basis of lack of access, unless the State fails to provide access as agreed to between the State and the contractor.

X. NOTIFICATION

_____ Accept (Initial) _____ Reject (Initial) _____ Reject and Provide Alternative within RFP Response (Initial)

During the bid process, all communication between the State and a bidder shall be between the bidder's representative clearly noted in its proposal and the buyer noted in Section II, A. Procuring Office and Contact Person of this RFP. After the award of the contract, all notices under the contract shall be deemed duly given upon delivery to the staff designated as the point of contact for this Request for Proposal, in person, or upon delivery by U.S. Mail, facsimile, or e-mail. Each bidder should provide in its proposal the name, title and complete address of its designee to receive notices.

1. Except as otherwise expressly specified herein, all notices, requests or other communications shall be in writing and shall be deemed to have been given if delivered personally or mailed, by U.S. Mail, postage prepaid, return receipt requested, to the parties at their respective addresses set forth above, or at such other addresses as may be specified in writing by either of the parties. All notices, requests, or communications shall be deemed effective upon personal delivery or three (3) days following deposit in the mail.
2. Whenever the contractor encounters any difficulty which is delaying or threatens to delay its timely performance under the contract, the contractor shall immediately give notice thereof in writing to the State reciting all relevant information with respect thereto. Such notice shall not in any way constitute a basis for an extension of the delivery schedule or be construed as a waiver by the State of any of its rights or remedies to which it is entitled by law or equity or pursuant to the provisions of the

contract. Failure to give such notice, however, may be grounds for denial of any request for an extension of the delivery schedule because of such delay.

Either party may change its address for notification purposes by giving notice of the change, and setting forth the new address and an effective date.

For the duration of the contract, all communication between contractor and the State regarding the contract shall take place between the contractor and individuals specified by the State in writing. Communication about the contract between contractor and individuals not designated as points of contact by the State is strictly forbidden.

Y. EARLY TERMINATION

_____ Accept (Initial) _____ Reject (Initial) _____ Reject and Provide Alternative within RFP Response (Initial)

The contract may be terminated as follows:

1. The State and the contractor, by mutual written agreement, may terminate the contract at any time.
2. The State, in its sole discretion, may terminate the contract for any reason upon 30 days written notice to the contractor. Such termination shall not relieve the contractor of warranty or other service obligations incurred under the terms of the contract. In the event of cancellation the contractor shall be entitled to payment, determined on a pro rata basis, for products or services satisfactorily performed or provided.
3. The State may terminate the contract immediately for the following reasons:
 - a. if directed to do so by statute;
 - b. contractor has made an assignment for the benefit of creditors, has admitted in writing its inability to pay debts as they mature, or has ceased operating in the normal course of business;
 - c. a trustee or receiver of the contractor or of any substantial part of the contractor's assets has been appointed by a court;
 - d. fraud, misappropriation, embezzlement, malfeasance, misfeasance, or illegal conduct pertaining to performance under the contract by its contractor, its employees, officers, directors or shareholders;
 - e. an involuntary proceeding has been commenced by any party against the contractor under any one of the chapters of Title 11 of the United States Code and (i) the proceeding has been pending for at least sixty (60) days; or (ii) the contractor has consented, either expressly or by operation of law, to the entry of an order for relief; or (iii) the contractor has been decreed or adjudged a debtor;
 - f. a voluntary petition has been filed by the contractor under any of the chapters of Title 11 of the United States Code;
 - g. contractor intentionally discloses confidential information;
 - h. contractor has or announces it will discontinue support of the deliverable;
 - i. second or subsequent documented "vendor performance report" form deemed acceptable by the State Purchasing Bureau.

Z. FUNDING OUT CLAUSE OR LOSS OF APPROPRIATIONS

_____ Accept (Initial) _____ Reject (Initial) _____ Reject and Provide Alternative within RFP Response (Initial)

The State may terminate the contract, in whole or in part, in the event funding is no longer available. The State's obligation to pay amounts due for fiscal years following the current fiscal year is contingent upon legislative appropriation of funds for the contract. Should said funds not be appropriated, the State may terminate the contract with respect to those payments for the fiscal years for which such funds are not appropriated. The State will give the contractor written notice thirty (30) days prior to the effective date of any termination, and advise the contractor of the location (address and room number) of any related equipment. All obligations of the State to make payments after the termination date will cease and all interest of the State in any related equipment will terminate. The contractor shall be entitled to receive just and equitable compensation for any authorized work which has been satisfactorily completed as of the termination date. In no event shall the contractor be paid for a loss of anticipated profit.

AA. BREACH BY CONTRACTOR

_____ Accept (Initial) _____ Reject (Initial) _____ Reject and Provide Alternative within RFP Response (Initial)

The State may terminate the contract, in whole or in part, if the contractor fails to perform its obligations under the contract in a timely and proper manner. The State may, by providing a written notice of default to the contractor, allow the contractor to cure a failure or breach of contract within a period of thirty (30) days (or longer at State's discretion considering the gravity and nature of the default). Said notice shall be delivered by Certified Mail, Return Receipt Requested or in person with proof of delivery. Allowing the contractor time to cure a failure or breach of contract does not waive the State's right to immediately terminate the contract for the same or different contract breach which may occur at a different time. In case of default of the contractor, the State may contract the service from other sources and hold the contractor responsible for any excess cost occasioned thereby.

BB. ASSURANCES BEFORE BREACH

_____ Accept (Initial) _____ Reject (Initial) _____ Reject and Provide Alternative within RFP Response (Initial)

If any document or deliverable required pursuant to the contract does not fulfill the requirements of the Request for Proposal/resulting contract, upon written notice from the State, the contractor shall deliver assurances in the form of additional contractor resources at no additional cost to the project in order to complete the deliverable, and to ensure that other project schedules will not be adversely affected.

CC. PENALTY

_____ Accept (Initial) _____ Reject (Initial) _____ Reject and Provide Alternative within RFP Response (Initial)

In the event that the contractor fails to perform any substantial obligation under the contract, the State may withhold all monies due and payable to the contractor, without penalty, until such failure is cured or otherwise adjudicated. Failure to meet the dates stipulated in the contract for the deliverables may result in an assessment of penalty due the State of \$10,000.00 dollars per day per service, until the deliverables are approved. Contractor will be notified in writing when penalty will commence.

DD. PERFORMANCE BOND

_____ Accept (Initial) _____ Reject (Initial) _____ Reject and Provide Alternative within RFP Response (Initial)

The contractor(s) will supply a certified check or a bond executed by a corporation authorized to contract surety in the State of Nebraska, payable to the State of Nebraska, which shall be valid for the life of the contract(s) to include any renewal and/or extension periods. The amount of the certified checks or bonds must be an established dollar amount of \$250,000 for each service, ACH Origination and Credit Card Services. The checks or bonds, will guarantee that the contractor or contractors will faithfully perform all requirements, terms and conditions of the contract(s). Failure to comply shall be grounds for forfeiture of the check or bond as liquidated damages. Amount of forfeiture will be determined by the agency based on loss to the State. The bond(s) or certified check(s) will be returned when services have been satisfactorily completed as solely determined by the State, after termination or expiration of the contract.

EE. LIQUIDATED DAMAGES

_____ Accept (Initial) _____ Reject (Initial) _____ Reject and Provide Alternative within RFP Response (Initial)

The State and contractor(s) agree that actual damages from a failure to perform certain requirements in any contract(s) executed pursuant to this RFP are difficult to accurately estimate. That there has been a reasonable effort by parties to fix the amount of compensation that is due under the contracts, and that it is possible to identify an amount of liquidated damages for the failure to perform those requirements that is proportionate to the actual damages that the State would anticipate as a result of the failure.

In lieu of actual damages, the State and the contractor(s) shall agree to a schedule of fees for failure to perform certain requirements in any contract(s) executed pursuant to this RFP.

The following required schedule of liquidated damages in the form of fees for failure to perform certain requirements.

These fees are categorized as follows:

Standard	\$1,000.00 per day
High	\$2,500.00 per day
Critical	\$3,000.00 per day

Liquidated damages may be charged by the State under this paragraph for each day or partial day the contractor(s) failed to perform or comply with certain requirements in the contract(s), other than failures caused by the State or circumstances beyond the control of the contractor(s) or their agents (natural disasters, etcetera).

1. ACCEPTANCE OF ACH FILES

Within three (3) hours of contractor being notified by State that contractor was not available to accept ACH Credit/Debit Origination files (by any method used by State agencies to transmit files not limited to: direct transmission, PC encryption transmission, Internet upload), contractor will either resolve the situation within three (3) hours so the ACH Credit/Debit Origination files can be received from the State or pay liquidated damages.

Category: Critical

2. ABILITY TO ACCESS DAILY BANK REPORTING INFORMATION

Upon being notified by the State that daily bank information reports prior day balance reports, current day balance reports, ACH return and Notice of Change reports, ACH current day and prior day addenda reports, and CSV exports are unavailable, contractor will either resolve the situation within four (4) hours and make all required reports available to State staff or pay liquidated damages.

Category: Critical

3. TRAP FILES AVAILABILITY

Upon being notified by the State that daily trap files for the Nebraska Department of Revenue or the Nebraska Department of Insurance are not available to State staff for download, contractor will either resolve the situation within four (4) hours having the trap files available to State staff or pay liquidated damages.

Category: High

4. SENDING/RECEIVING OF WIRES

Within four (4) hours after being notified by the State that contractor is unable to send wires/receive wires on behalf of the State, contractor will either resolve the situation within four (4) hours after being notified or pay liquidated damages.

Category: High

5. RAW DATA RETURN AND NOTICE OF CHANGE FILE/TRANSMISSION AVAILABILITY

Upon being notified by the State that daily raw data return and notice of change file/transmission is unavailable, contractor will either resolve the situation within eight (8) hours making the file/transmission available to State staff or pay liquidated damages.

Category: Standard

6. ACH RETURNS, ACH REVERSALS AND ACH DELETES PROCESSING

The contractor will be responsible to process batch, file and individual item ACH Returns, Reversals and Deletes the same day the State has notified the financial institution. Failure to properly handle or handling these types of requests outside the day the request was initiated will require a payment of liquidated damages to the State.

Category: Standard

7. ACH CREDIT/DEBIT ON-US TRANSACTION POSTING

Contractor will post ACH transactions timely and accurately within the NACHA Operating Rules. Contractor will correct errors made to customers account/State clients due to posting errors within eight (8) hours after State notifies contractor of error or pay liquidated damages.

Category: High

8. CUSTOMER SERVICE

Contractor will provide adequate customer service support to the State and State clients/vendors. When contacted by the State staff or State vendors/clients for information customer service will provide a response back to inquiry in a reasonable time frame.

Example of service levels requested:

Request for trace number/or additional information of ACH transaction with an effective date within the last sixty (60) days. Expected response time frame: Financial institution will provide within twenty-four (24) hours.

State Vendor/Receiving Bank request for addenda information on an ACH transaction with an effective date within the last 60 days. Expected response time frame: Financial institution will provide within eight (8) hours of contact from State Vendor or Receiving Bank.

Request for trace number/or additional information of ACH transaction with an effective date within the more than sixty (60) days old. Expected response time frame: Financial institution will provide within forty-eight (48) hours.

Category: Standard

9. RFP REQUIRED REPORTING

Within three (3) business days of contractor being notified by the State, reports not provided by contractor will be made available to the State or contractor will pay liquidated damages.

Category: Standard

10. Liquidated damages for Credit Card Services

a. ACCEPTANCE OF CREDIT CARD BATCHES

Upon being notified by a State agency that contractor was not able to accept credit card transaction batches/files (by any method used by State agencies to transmit files/batches), contractor will either resolve the situation within four (4) hours so the credit card transaction batches/files can be received from the State or pay liquidated damages.

Category: Critical

b. ABILITY TO ACCESS DAILY BANK REPORTING INFORMATION

Upon being notified by the State that daily bank information reports prior day balance reports, current day balance reports, and CSV exports are unavailable, contractor will either resolve the situation within four (4) hours or make all required reports available to State staff or pay liquidated damages.

Category: High

c. SENDING/RECEIVING OF WIRES

Upon being notified by the State that contractor is unable to send wires/receive wires on behalf of the State, contractor will either resolve the situation within four (4) hours after being notified or pay liquidated damages.

Category: Standard

d. RFP REQUIRED REPORTING

Within five (5) business days of contractor being notified by the State, reports not provided by contractor will be made available to the State or contractor will pay liquidated damages.

Category: Standard

e. CUSTOMER SERVICE

Contractor will provide adequate customer service support to the State and State clients/vendors. When contacted by the State staff or State vendors/clients for information, customer service will provide a response back to inquire in a reasonable time frame.

Category: Standard

As to any liquidated damages owing hereunder, Contractor will pay liquidated damages to State by the tenth (10th) Business Day of the month following the month that the damages were incurred.

11. UNRESOLVED REQUIREMENTS

All Standard and High category requirements will move to Critical level of liquidated damages if not resolved within forty-eight (48) hours after notification to the contractor.

All Critical category requirements will double in liquidated damages payment if not resolved within twenty-four (24) hours after notification to the contractor.

FF. FORCE MAJEURE

_____ Accept (Initial) _____ Reject (Initial) _____ Reject and Provide Alternative within RFP Response (Initial)

Neither party shall be liable for any costs or damages resulting from its inability to perform any of its obligations under the contract due to a natural disaster, or other similar event outside the control and not the fault of the affected party ("Force Majeure Event"). A Force Majeure Event shall not constitute a breach of the contract. The party so affected shall immediately give notice to the other party of the Force Majeure Event. The State may grant relief from performance of the contract if the contractor is prevented from performance by a Force Majeure Event. The burden of proof for the need for such relief shall rest upon the contractor. To obtain release based on a Force Majeure Event, the contractor shall file a written request for such relief with the State Purchasing Bureau. Labor disputes with the impacted party's own employees will not be considered a Force Majeure Event and will not suspend performance requirements under the contract.

GG. PAYMENT

_____ Accept (Initial) _____ Reject (Initial) _____ Reject and Provide Alternative within RFP Response (Initial)

State will render payment to contractor when the terms and conditions of the contract and specifications have been satisfactorily completed on the part of the contractor as solely determined by the State. Payment will be made by the responsible agency in compliance with the State of Nebraska Prompt Payment Act (See Neb. Rev. Stat. §81-2401 through 81-2408). The State will require the contractor to accept payment by electronic means such as ACH deposit for any 1099 services under this RFP. In no event shall the State be responsible or liable to pay for any services provided by the contractor prior to the Effective Date, and the contractor hereby waives any claim or cause of action for any such services.

HH. INVOICES

_____ Accept (Initial) _____ Reject (Initial) _____ Reject and Provide Alternative within RFP Response (Initial)

Invoices for payments must be submitted by the contractor to the agency requesting the services with sufficient detail to support payment. The terms and conditions included in the contractor's invoice shall be deemed to be solely for the convenience of the parties. No terms or conditions of any such invoice shall be binding upon the State, and no action by the State, including without limitation the payment of any such invoice in whole or in part, shall be construed as binding or estopping the State with respect to any such term or condition, unless the invoice term or condition has been previously agreed to by the State as an amendment to the contract.

II. AUDIT REQUIREMENTS

_____ Accept (Initial) _____ Reject (Initial) _____ Reject and Provide Alternative within RFP Response (Initial)

All contractor books, records and documents relating to work performed or monies received under the contract shall be subject to audit at any reasonable time upon the provision of reasonable notice by the State. These records shall be maintained for a period of five (5) full years from the date of final payment, or until all issues related to an audit, litigation or other action are resolved, whichever is longer. All records shall be maintained in accordance with generally accepted accounting principles.

In addition to, and in no way in limitation of any obligation in the contract, the contractor shall agree that it will be held liable for any State audit exceptions, and shall return to the State all payments made under the contract for which an exception has been taken or which has been disallowed because of such an exception. The contractor agrees to correct immediately any material weakness or condition reported to the State in the course of an audit.

JJ. TAXES

_____ Accept (Initial) _____ Reject (Initial) _____ Reject and Provide Alternative within RFP Response (Initial)

The State is not required to pay taxes of any kind and assumes no such liability as a result of this solicitation. Any property tax payable on the contractor's equipment which may be installed in a State-owned facility is the responsibility of the contractor.

KK. INSPECTION AND APPROVAL

_____ Accept (Initial) _____ Reject (Initial) _____ Reject and Provide Alternative within RFP Response (Initial)

Final inspection and approval of all work required under the contract shall be performed by the designated State officials. The State and/or its authorized representatives shall have the right to enter any premises where the contractor or subcontractor duties under the contract are being performed, and to inspect, monitor or otherwise evaluate the work being performed. All inspections and evaluations shall be at reasonable times and in a manner that will not unreasonably delay work.

LL. CHANGES IN SCOPE/CHANGE ORDERS

_____ Accept (Initial) _____ Reject (Initial) _____ Reject and Provide Alternative within RFP Response (Initial)

The State may, at any time with written notice to the contractor, make changes within the general scope of the contract. Changes in scope shall only be conducted with the written approval of the State's designee as so defined by the State from time to time. (The State retains the right to employ the services of a third party to perform any change order(s)).

The State may, at any time work is in progress, by written order, make alterations in the terms of work as shown in the specifications, require the performance of extra work, decrease the quantity of work, or make such other changes as the State may find necessary or desirable. The contractor shall not claim forfeiture of contract by reasons of such changes by the State. Changes in work and the amount of compensation to be paid to the contractor for any extra work so ordered shall be determined in accordance with the applicable unit prices of the contractor's proposal.

Corrections of any deliverable services or performance of work required pursuant to the contract shall not be deemed a modification requiring a change order.

MM. SEVERABILITY

_____ Accept (Initial) _____ Reject (Initial) _____ Reject and Provide Alternative within RFP Response (Initial)

If any term or condition of the contract is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and conditions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the contract did not contain the particular provision held to be invalid.

NN. CONFIDENTIALITY

_____ Accept (Initial) _____ Reject (Initial) _____ Reject and Provide Alternative within RFP Response (Initial)

All materials and information provided by the State or acquired by the contractor on behalf of the State shall be regarded as confidential information. All materials and information provided by the State or acquired by the contractor on behalf of the State shall be handled in accordance with Federal and State Law, and ethical standards. The contractor must ensure the confidentiality of such materials or information. Should said confidentiality be breached by a contractor; contractor shall notify the State immediately of said breach and take immediate corrective action.

It is incumbent upon the contractor to inform its officers and employees of the penalties for improper disclosure imposed by the Privacy Act of 1974, 5 U.S.C. 552a. Specifically, 5 U.S.C. 552a (i)(1), which is made applicable to contractors by 5 U.S.C. 552a (m)(1), provides that any officer or employee of a contractor, who by virtue of his/her employment or official position has possession of or access to agency records which contain individually identifiable information, the disclosure of which is prohibited by the Privacy Act or regulations established thereunder, and who knowing that disclosure of the specific material is prohibited, willfully discloses the material in any manner to any person or agency not entitled to receive it, shall be guilty of a misdemeanor and fined not more than \$5,000.

OO. PROPRIETARY INFORMATION

_____ Accept (Initial) _____ Reject (Initial) _____ Reject and Provide Alternative within RFP Response (Initial)

Data contained in the proposal and all documentation provided therein, become the property of the State of Nebraska and the data becomes public information upon opening the proposal. If the bidder wishes to have any information withheld from the public, such information must fall within the definition of proprietary information contained within Nebraska's public record statutes. All proprietary information the bidder wishes the State to withhold must be submitted in a sealed package, which is separate from the remainder of the proposal. The separate package must be clearly marked PROPRIETARY on the outside of the package. Bidders may not mark their entire Request for Proposal as proprietary. Bidder's cost proposals may not be marked as proprietary information. Failure of the bidder to follow the instructions for submitting proprietary and copyrighted information may result in the information being viewed by other bidders and the public. Proprietary information is defined as trade secrets, academic and scientific research work which is in progress and unpublished, and other information which if released would give advantage to business competitors and serve no public purpose (see Neb. Rev. Stat. §84-712.05(3)). In accordance with Attorney General Opinions 92068 and 97033, bidders submitting information as proprietary may be required to prove specific, named competitor(s) who would be advantaged by release of the information and the specific advantage the competitor(s) would receive. Although every effort will be made to withhold information that is properly submitted as proprietary and meets the State's definition of

proprietary information, the State is under no obligation to maintain the confidentiality of proprietary information and accepts no liability for the release of such information.

PP. CERTIFICATION OF INDEPENDENT PRICE DETERMINATION/COLLUSIVE BIDDING

_____ Accept (Initial) _____ Reject (Initial) _____ Reject and Provide Alternative within RFP Response (Initial)

By submission of this proposal, the bidder certifies, that he or she is the party making the foregoing proposal that the proposal is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation; that the proposal is genuine and not collusive or sham; that the bidder has not directly or indirectly induced or solicited any other bidder to put in a false or sham proposal, and has not directly or indirectly colluded, conspired, connived, or agreed with any bidder or anyone else to put in a sham proposal, or that anyone shall refrain from bidding; that the bidder has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the proposal price of the bidder or any other bidder, or to fix any overhead, profit, or cost element of the proposal price, or of that of any other bidder, or to secure any advantage against the public body awarding the contract of anyone interested in the proposed contract; that all statements contained in the proposal are true; and further that the bidder has not, directly or indirectly, submitted his or her proposal price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, or paid, and will not pay, any fee to any corporation, partnership, company association, organization, proposal depository, or to any member or agent thereof to effectuate a collusive or sham proposal.

QQ. PRICES

_____ Accept (Initial) _____ Reject (Initial) _____ Reject and Provide Alternative within RFP Response (Initial)

All prices, costs, terms and conditions outlined in the proposal shall remain fixed and valid commencing on the opening date of the proposal until an award is made (and for bidder receiving award prices shall remain as bid for the duration of the contract unless otherwise so stated in the contract) or the Request for Proposal is cancelled.

Contractor represents and warrants that all prices for services, now or subsequently specified are as low as and no higher than prices which the contractor has charged or intends to charge customers other than the State for the same or similar products and services of the same or equivalent quantity and quality for delivery or performance during the same periods of time. If, during the term of the contract, the contractor shall reduce any and/or all prices charged to any customers other than the State for the same or similar products or services specified herein, the contractor shall make an equal or equivalent reduction in corresponding prices for said specified products or services.

Contractor also represents and warrants that all prices set forth in the contract and all prices in addition, which the contractor may charge under the terms of the contract, do not and will not violate any existing Federal, State or Municipal law or regulations concerning price discrimination and/or price fixing. Contractor agrees to hold the State harmless from any such violation. Prices quoted shall not be subject to increase throughout the contract period unless specifically allowed by these specifications.

RR. BEST AND FINAL OFFER

_____ Accept (Initial) _____ Reject (Initial) _____ Reject and Provide Alternative within RFP Response (Initial)

The State will compile the final scores for all parts of each proposal. The award may be granted to the highest scoring responsive and responsible bidder. Alternatively, the highest scoring bidder or bidders may be requested to submit best and final offers. If best and final offers are requested by the State and submitted by the bidder, they will be evaluated (using the stated criteria), scored and ranked by the Evaluation Committee. The award will then be granted to the highest scoring bidder. However, a bidder should provide its best offer in its original proposal. Bidders should not expect that the State will request a best and final offer.

SS. ETHICS IN PUBLIC CONTRACTING

_____ Accept (Initial) _____ Reject (Initial) _____ Reject and Provide Alternative within RFP Response (Initial)

No bidder shall pay or offer to pay, either directly or indirectly, any fee, commission compensation, gift, gratuity, or anything of value to any State officer, legislator or employee based on the understanding that the receiving person's vote, actions or judgment will be influenced thereby. No bidder shall give any item of value to any employee of the State Purchasing Bureau.

Bidders shall be prohibited from utilizing the services of lobbyists, attorneys, political activists, or consultants to secure the contract. It is the intent of this provision to assure that the prohibition of state contact during the procurement process is not subverted through the use of lobbyists, attorneys, political activists, or consultants. It is the intent of the State that the process of evaluation of proposals and award of the contract be completed without external influence. It is not the intent of this section to prohibit bidders from seeking professional advice, for example consulting legal counsel, regarding terms and conditions of this Request for Proposal or the format or content of their proposal.

If the bidder is found to be in non-compliance with this section of the Request for Proposal, they may forfeit the contract if awarded to them or be disqualified from the selection process.

TT. INDEMNIFICATION

_____ Accept (Initial) _____ Reject (Initial) _____ Reject and Provide Alternative within RFP Response (Initial)

1. GENERAL

The contractor agrees to defend, indemnify, hold, and save harmless the State and its employees, volunteers, agents, and its elected and appointed officials ("the indemnified parties") from and against any and all claims, liens, demands, damages, liability, actions, causes of action, losses, judgments, costs, and expenses of every nature, including investigation costs and expenses, settlement costs, and attorney fees and expenses ("the claims"), sustained or asserted against the State, arising out of, resulting from, or attributable to the willful misconduct, negligence, error, or omission of the contractor, its employees, subcontractors, consultants, representatives, and agents, except to the extent such contractor liability is attenuated by any action of the State which directly and proximately contributed to the claims.

2. INTELLECTUAL PROPERTY

The contractor agrees it will at its sole cost and expense, defend, indemnify, and hold harmless the indemnified parties from and against any and all claims, to the extent such claims arise out of, result from, or are attributable to the actual or alleged

infringement or misappropriation of any patent, copyright, trade secret, trademark, or confidential information of any third party by the contractor or its employees, subcontractors, consultants, representatives, and agents; provided, however, the State gives the contractor prompt notice in writing of the claim. The contractor may not settle any infringement claim that will affect the State's use of the Licensed Software without the State's prior written consent, which consent may be withheld for any reason.

If a judgment or settlement is obtained or reasonably anticipated against the State's use of any intellectual property for which the contractor has indemnified the State, the contractor shall at the contractor's sole cost and expense promptly modify the item or items which were determined to be infringing, acquire a license or licenses on the State's behalf to provide the necessary rights to the State to eliminate the infringement, or provide the State with a non-infringing substitute that provides the State the same functionality. At the State's election, the actual or anticipated judgment may be treated as a breach of warranty by the contractor, and the State may receive the remedies provided under this RFP.

3. PERSONNEL

The contractor shall, at its expense, indemnify and hold harmless the indemnified parties from and against any claim with respect to withholding taxes, worker's compensation, employee benefits, or any other claim, demand, liability, damage, or loss of any nature relating to any of the personnel provided by the contractor.

UU. NEBRASKA TECHNOLOGY ACCESS STANDARDS

_____ Accept (Initial) _____ Reject (Initial) _____ Reject and Provide Alternative within RFP Response (Initial)

Contractor shall review the Nebraska Technology Access Standards, found at <http://nitc.nebraska.gov/standards/2-101.html> and ensure that products and/or services provided under the contract comply with the applicable standards. In the event such standards change during the contractor's performance, the State may create an amendment to the contract to request that contract comply with the changed standard at a cost mutually acceptable to the parties.

VV. ANTITRUST

_____ Accept (Initial) _____ Reject (Initial) _____ Reject and Provide Alternative within RFP Response (Initial)

The contractor hereby assigns to the State any and all claims for overcharges as to goods and/or services provided in connection with this contract resulting from antitrust violations which arise under antitrust laws of the United States and the antitrust laws of the State.

WW. DISASTER RECOVERY/BACK UP PLAN

_____ Accept (Initial) _____ Reject (Initial) _____ Reject and Provide Alternative within RFP Response (Initial)

The contractor shall have a disaster recovery and back-up plan, of which a copy should be provided to the State, which includes, but is not limited to equipment, personnel, facilities, and transportation, in order to continue services as specified under these specifications in the event of a disaster.

XX. TIME IS OF THE ESSENCE

_____ Accept (Initial) _____ Reject (Initial) _____ Reject and Provide Alternative within RFP Response (Initial)

Time is of the essence in this contract. The acceptance of late performance with or without objection or reservation by the State shall not waive any rights of the State nor constitute a waiver of the requirement of timely performance of any obligations on the part of the contractor remaining to be performed.

YY. RECYCLING

_____ Accept (Initial) _____ Reject (Initial) _____ Reject and Provide Alternative within RFP Response (Initial)

Preference will be given to items which are manufactured or produced from recycled material or which can be readily reused or recycled after their normal use as per state statute (Neb. Rev. Stat. §81-15, 159).

ZZ. DRUG POLICY

_____ Accept (Initial) _____ Reject (Initial) _____ Reject and Provide Alternative within RFP Response (Initial)

Contractor certifies it maintains a drug free work place environment to ensure worker safety and workplace integrity. Contractor agrees to provide a copy of its drug free workplace policy at any time upon request by the State.

AAA. NEW EMPLOYEE WORK ELIGIBILITY STATUS

_____ Accept (Initial) _____ Reject (Initial) _____ Reject and Provide Alternative within RFP Response (Initial)

The Contractor is required and hereby agrees to use a federal immigration verification system to determine the work eligibility status of new employees physically performing services within the State of Nebraska. A federal immigration verification system means the electronic verification of the work authorization program authorized by the Illegal Immigration Reform and Immigrant Responsibility Act of 1996, 8 U.S.C. 1324a, known as the E-Verify Program, or an equivalent federal program designated by the United States Department of Homeland Security or other federal agency authorized to verify the work eligibility status of a newly hired employee.

If the Contractor is an individual or sole proprietorship, the following applies:

1. The Contractor must complete the United States Citizenship Attestation Form, available on the Department of Administrative Services website at www.das.state.ne.us.
2. If the Contractor indicates on such attestation form that he or she is a qualified alien, the Contractor agrees to provide the US Citizenship and Immigration Services documentation required to verify the Contractor's lawful presence in the United States using the Systematic Alien Verification for Entitlements (SAVE) Program.
3. The Contractor understands and agrees that lawful presence in the United States is required and the Contractor may be disqualified or the contract terminated if such lawful presence cannot be verified as required by Neb. Rev. Stat. §4-108.

BBB. CERTIFICATION REGARDING DEBARMENT, SUSPENSION AND INELIGIBILITY

_____Accept (Initial) _____Reject (Initial) _____Reject and Provide Alternative within RFP Response (Initial)

The contractor, by signature to this RFP, certifies that the contractor is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any federal department or agency from participating in transactions (debarred). The contractor also agrees to include the above requirements in any and all subcontracts into which it enters. The contractor shall immediately notify the Department if, during the term of this contract, contractor becomes debarred. The Department may immediately terminate this contract by providing contractor written notice if contractor becomes debarred during the term of this contract.

IV. PROJECT DESCRIPTION AND SCOPE OF WORK FOR ACH ORIGATION SERVICES

A. GENERAL RFP REQUIREMENTS/INFORMATION

Following is a summary of current ACH Origination services for the State of Nebraska. Bidders must provide a response that meets or exceeds these services.

All figures listed in this RFP represent a historical count of ACH transactions, ACH returns, return checks, credit card and debit card transactions processed by the State and governmental entities and political subdivisions under the State's contracts. These figures are not a guarantee of future transaction counts. Figures are provided for the benefit of bidders in the development of their proposals.

1. THIS RFP PROVIDES THREE (3) OPTIONS FOR BIDDING:

- a. Option A, ACH Origination Services,**
- b. Option B, Credit Card Processing**
- c. Option C, ACH Origination Services and Credit Card Processing.**

Bidders may bid on any or all options. In order for a bidder to be considered for more than one option, a complete, separate proposal (Corporate, Executive, Technical, and Cost) must be submitted for EACH option. Each proposal submitted must clearly identify which option is being bid.

The bidder must provide the following information in response to this Request for Proposal.

B. PROJECT OVERVIEW

State Agencies, the University of Nebraska and the State College System, as well as any other entities of cities, counties or municipal government, may use this contract. There are 93 counties and 530 cities, in addition to other governmental subdivisions that could potentially use any of the services under this contract. It is expected that this higher volume will result in a pricing schedule that takes this into account. It will be the responsibility of the ACH financial institution/contractor to contact the cities, counties and other governmental subdivisions regarding the potential to participate under the contract. The State Treasurer's Office will manage the contract on behalf of State agencies. Each municipality, county or other governmental subdivision will establish a relationship with the ACH financial institution/contractor and negotiate business and technical requirements according to the specific needs of each within the constraints of the contract.

C. ACH ORIGATION SERVICES

The State of Nebraska will continue to expand the use of electronic payments for State vendors, payroll, and government benefits payments to consumers and vendors. The State is seeking a financial institution/contractor that will work with State agencies to develop additional electronic solutions to received payments via ACH thus enabling the State to continue reducing check processing charges and to allow all agencies to continue the special needs of each agency's process of ACH credits and debits. All payments in excess of \$25,000 or vendors receiving multiple payments per year are required to be sent electronically. The State will continue to reduce the number of warrants written by encouraging the use of Direct Deposit of government benefit payments (DHHS child care and child support payment has been mandated) and vendor payments. The State allows employees to receive payments by warrant, Direct Deposit to a savings/checking account or loaded to a stored-value Visa branded debit card. The increased use of ACH payments across State programs will also decrease fees by the banks for clearing and processing of State warrants, forgery, and expired warrant claims. State staff will continue to work on expanding programs that will increase the

dollar amount of receipts being paid and originated by the State electronically by both ACH credit and ACH debit programs.

Following is the number of ACH transactions originated by all State agencies (except NCSPC) for Fiscal Years 2010-11 and 2011-12.

Fiscal Year	ACH Transactions
2010-2011	2,174,156
2011-2012	2,323,896

The following is the number of ACH transactions originated by all State agencies (except NCSPC) by month July to December 2012.

Month	ACH Transactions
July	143,724
August	173,914
September	152,830
October	198,038
November	191,842
December	175,293

The following is the number of ACH transactions received by all State agencies (except NCSPC) for Fiscal Years 2010-11 and 2011-12.

Fiscal Year	ACH Received Items
2010-2011	508,008
2011-2012	586,050

The following is the number of ACH transactions originated by NCSPC for Fiscal Years 2010-11 and 2011-12 and for each month July to December 2012.

Fiscal Year	ACH Transactions
2010-2011	1,475,180
2011-2012	1,515,023

Month	ACH Transactions
July	130,130
August	128,965
September	115,969
October	136,603
November	125,624
December	124,364

D. PROJECT ENVIRONMENT

While multiple State agencies will use the services resulting from this RFP, the State Treasurer's Office will be the point of contact for all banking functions, implementation and contract administration.

1. ACH ORIGATION SERVICES

Outlined below is a current list of entities authorized to send or transmit files on the State's behalf. Multiple agencies are also receiving NACHA, formatted files from the State's current ACH processor. Administrative Services processes all ACH vendor and payroll payments on behalf of State agencies excluding those listed below. The

Department of Revenue's accounts will be set up as a subsidiary ZBA account with funds being moved to a main account.

a. SENDING ACH FILES

- i. Administrative Services – Accounting (credit files only) - Direct Transmission
- ii. Administrative Services – Accounting *IRS payments - Website Transmission
- iii. Nebraska Lottery – (credit and debit files)- Website Transmission
- iv. State Treasurer's Office – (credit and debit files) - Website Transmission
- v. State Treasurer's Office – NCSPC – (credit and debit files) - Website Transmission
- vi. Department of Revenue – (credit and debit files) - Direct Transmission
- vii. University of Nebraska – (credit and debit files) - Direct Transmission
- viii. Nebraska.gov – (debit files only) - Direct Transmission

b. RECEIVING ACH TRAP FILES

- i. Department of Revenue – (credit and reversal transactions) - Direct Transmission

E. PROJECT REQUIREMENTS

1. Each bidder is responsible to research Nebraska State Statutes for their legal responsibilities when doing business with the State. References to certain State Statutes are provided in this RFP, but are not all inclusive to the legal requirements of the contractor.
 - a. **Neb.Rev.Stat. § 48-1122—Prohibition of Discrimination;**
 - b. **Neb.Rev.Stat § 73-205(3)—Technology Access Standards;**
 - c. **Neb.Rev.Stat § 73-506(2)—Service contracts with unspecified or unlimited duration;**
 - d. **Neb.Rev.Stat § 73-506(1)—The State cannot pay for deliverables not received;**
 - e. **Neb.Rev.Stat § 81-2401 to 81-2408—Prompt Payment Act;**
 - f. **Neb.Rev.Stat § 81-118.01-Electronic Payment; acceptance; conditions; Nebraska State Constitution, Article XIII, § 3—Prohibits indemnification and limitations of liability**
2. The bidder is responsible to meet State Statute requirements for collateralization of State deposits. Bidders will at a minimum reference Neb. Rev. Stat. Section 77-2395, 77-2389, 77-2398, and 77-2387. Collateral requirements are applicable to all State agency accounts serviced under this contract. Collateral requirements range from 102 percent to 105 percent of the bank account ledger balance. The State requires a statement of collateral be provided on a calendar month basis. The agreement for collateral arrangements must require the signature of a State designated representative before collateral purchased on behalf of the State is released.

***Alternative Terms and Conditions proposed by the bidder that are in violation of or conflict with Nebraska State Statutes or the Nebraska State Constitution will be rejected by the State.**

F. BUSINESS REQUIREMENTS

1. ACH ORIGATION BUSINESS REQUIREMENTS

- a. The ACH financial institution/contractor(s) must be a member of NACHA or a regional Automated Clearing House (ACH) Association.
- b. The ACH financial institution/contractor(s) must be a financial institution licensed to do business in the State of Nebraska and of approved standing and responsibility pursuant to Neb. Rev. Stat. Section 77-2301.
- c. The ACH financial institution/contractor(s) will provide a sample bank account analysis statement and explain how adjustments are reflected.
- d. The ACH financial institution/contractor(s) must allow all State bank accounts except Nebraska Unemployment and NCSPC be grouped for the purposes of compensating balance. All charges for services must be charged on a calendar month account analysis. The account analysis must be made available online or mailed to the State entity no later than the 15th of each month.
- e. The ACH financial institution/ contractor(s) is required to cash Nebraska State Treasury warrants and warrants issued by the NCSPC free of charge and without requiring a fingerprint as required in Neb. Rev. Stat. 77-2301.
- f. A bidder will provide a listing by month of the prior 12 months Earnings Credit Rate used for bank account analysis.
- g. The ACH financial institution/contractor must follow all applicable Nebraska Health and Human Services System rules and regulations and may view them at: www.sos.ne.gov/rules-and-reg/regssearch/index.html. NCSPC staff will work with the contractor to resolve questions or issues regarding compliance of these rules and regulations.
- h. The ACH financial institution/contractor(s) will be required to provide an annual report for the period July 1 to June 30 to the State Treasurer's Office for all transaction counts processed under any contracts resulting from this RFP. The report will be due August 1 of each year. The report would give transaction counts by Standard Entry Class code per entity using the contract resulting.
- i. The State Treasurer's Office will approve all additional State agency programs and must authorize all testing for new or existing programs.
- j. Bidders must provide information on how the bidder can assist the State with OFAC Compliance in relation to the NACHA Operating Rules.
- k. The ACH financial institution/contractor should keep the State educated on all changes to the rules and regulations by providing training or materials.

G. SCOPE OF WORK

The following information provides a description of the State agency project requirements. Bidder requirements are in multiple sections of this RFP. The figures listed represent recent transaction counts and are not a guarantee of future volumes. The below narratives were based on the use of current services and are being provided to assist bidders in preparing a quality response. Each bidder must respond to all requirements and provide data detailing ability to meet State agency needs. The contractor must work with the current contractors for these State agencies and discuss any difficulties, issues or concerns that might arise during transition or implementation. State agencies may have special requirements to all or part of this RFP. Special requirements are as follows:

H. ACH ORIGINATION – NEBRASKA LOTTERY

The Nebraska Lottery originates CCD+ credit and debit transactions to lottery retailers. This is a mandatory EFT program. The file is sent to the bank on Monday for settlement on Wednesday.

Nebraska Lottery receives the EFT batch file from their vendor, GTech. The file, which contains both debit and credit transactions, is uploaded using a Web-based application on the bank website by logging in using a unique ID and password. The staff fills out the batch data fields which identifies the file as being from the Nebraska Lottery and uploads the file. After the file is uploaded, staff checks the directory listing within the Web application to make sure the file was processed correctly and there were no format errors.

Within 5-10 minutes, State staff calls a designated line at the bank and enters a four-digit PIN. The total number and dollar amount of credits and debits are entered for the bank to verify the file was correct. When finished, the bank then sends an email to designated staff when the batch file is processed correctly.

Charts following represent the NE Lottery EFT totals for Fiscal Year 2011-12 and the last six months of 2012.

Nebraska Lottery						
EFT Totals						
File Date	Total Count	Total Amount	Debit		Credit	
			Count	\$ Amount	Count	\$ Amount
July 2011	2,521	\$ 5,117,322.12	2,291	\$ 5,081,529.24	230	\$ 35,792.88
August 2011	3,155	\$ 6,987,012.83	2,901	\$ 6,944,319.41	254	\$ 42,693.42
September 2011	2,525	\$ 5,190,838.23	2,282	\$ 5,149,496.82	243	\$ 41,341.41
October 2011	2,525	\$ 5,666,886.45	2,310	\$ 5,634,501.30	215	\$ 32,385.15
November 2011	3,145	\$ 7,164,898.33	2,900	\$ 7,126,945.51	245	\$ 37,952.82
December 2011	2,526	\$ 5,630,073.74	2,311	\$ 5,599,706.44	215	\$ 30,367.30
January 2012	2,516	\$ 5,810,549.62	2,213	\$ 5,753,607.24	303	\$ 56,942.38
February 2012	3,128	\$ 10,108,871.25	2,977	\$ 10,088,623.12	151	\$ 20,248.13
March 2012	2,499	\$ 6,737,533.55	2,326	\$ 6,710,074.52	173	\$ 27,459.03
April 2012	2,508	\$ 8,960,325.83	2,363	\$ 8,932,929.62	145	\$ 27,396.21
May 2012	3,122	\$ 7,773,948.30	2,932	\$ 7,750,354.75	190	\$ 23,593.55
June 2012	2,499	\$ 6,386,918.25	2,326	\$ 6,360,125.57	173	\$ 26,792.68
Totals	32,669	\$ 81,535,178.50	30,132	\$ 81,132,213.54	2,537	\$ 402,964.96

Nebraska Lottery						
EFT Totals						
File Date	Total Count	Total Amount	Debit		Credit	
			Count	\$ Amount	Count	\$ Amount
July 2012	2,471	\$ 5,812,925.57	2,271	\$ 5,780,004.84	200	\$ 32,920.73
August 2012	3,083	\$ 9,008,216.97	2,914	\$ 8,978,051.34	169	\$ 30,165.63
September 2012	2,439	\$ 6,224,769.82	2,282	\$ 6,202,687.02	157	\$ 22,082.80
October 2012	3,038	\$ 7,121,705.14	2,835	\$ 7,158,395.32	203	\$ 36,690.18
November 2012	2,436	\$ 7,716,033.49	2,296	\$ 7,737,147.22	140	\$ 21,113.73
December 2012	2,435	\$ 9,000,693.56	2,249	\$ 9,029,860.34	186	\$ 29,166.78
Totals	15,902	\$ 44,884,344.55	14,847	\$ 44,886,146.08	1,055	\$ 172,139.85

All figures listed in the chart below represent a historical count of prior activity by the State. These figures are not a guarantee of future transaction counts.

I. NEBRASKA LOTTERY – CHARITABLE GAMING

Taxpayers log into the Nebraska Department of Revenue/Gaming Website (NEGAM), process the return and request to make an electronic payment.

An invoice is generated by GL Solutions and the invoice page sends HTML form data to the bank. This includes the total amount due, since the bank does not accept partial/overpayments nor allow payments of less than all invoices simultaneously. In addition, the session transfer message can accommodate data for up to five (5) invoices. If there are less than five (5) invoices on a record, some of these additional fields will be blank.

The bank processes payment and provides itemized payment receipt to user.

The bank returns real-time payment confirmation message to NEGAM site.

Below shows the number of invoices and payments processed by NE Lottery.

Gaming Electronic Payments		
Date Range	6/1/2011 to 12/31/2011	
	Payments	Totals
June 2011	15	\$1,080.97
July 2011	24	\$2,400.00
August 2011	3	\$300.00
September 2011	1	\$100.00
October 2011	28	\$1,720.00
November 2011	37	\$2,450.00
December 2011	4	\$250.00
Total for 2011	112	\$8,300.97

Gaming Electronic Payments		
Date Range	1/1/2012 to 12/31/2012	
	Payments	Totals
January 2012	0	\$0.00
February 2012	4	\$1,150.00
March 2012	2	\$600.00
April 2012	4	\$1,200.08
May 2012	0	\$0.00
June 2012	4	\$440.20
July 2012	3	\$920.00
August 2012	7	\$2,460.00
September 2012	1	\$540.00
October 2012	19	\$1,740.00
November 2012	17	\$900.00
December 2012	7	\$300.02
Total for 2012	68	\$10,250.30

All figures listed in the chart below represent a historical count of prior activity by the State. These figures are not a guarantee of future transaction counts.

J. ACH ORIGATION SERVICES - NEBRASKA DEPARTMENT OF REVENUE

The Nebraska Department of Revenue uses electronic funds transfers (EFT) for the collection of tax payments for a variety of tax programs. Payment methods include ACH Debit, where the state's Originating Depository Financial Institution (ODFI) debits taxpayer accounts for the amount and date specified by the taxpayer; and ACH Credit, where the taxpayer's ODFI credits the designated State bank account as specified by the taxpayer. NDR uses the Universal Payment Identification Codes (UPIC) for ACH Credit Programs. NDR uses an ACH payment scheduling system provided by the current vendor to allow taxpayers to initiate debit transactions online, by Interactive Voice Response (IVR), or via a customer service representative.

The State Treasurer's Office has set aside bank accounts for NDR use to segregate funds for accounting purposes. NDR requires the bidder to provide this same level of service. Currently, NDR uses eight (8) bank accounts and reserves the right to add, eliminate, or combine accounts as needed.

1. NEBRASKA DEPARTMENT OF REVENUE - ACH DEBIT PROGRAM

The NDR with the current ACH vendor operates an e-commerce solution for the creation of ACH Debit transactions. This may require the State's ODFI to modify the effective settlement date in order to guarantee the file will be processed on the following business day.

The NDR also originates its own ACH Debit transactions through its Payment Plan, Streamlined Sales Tax and Electronic Funds Withdrawal (EFW) programs. These transactions are processed in the same way as those originated by the current vendor operated ACH payment scheduling system. NDR and the ACH payment scheduling system vendor will both provide a balanced file containing an offset credit for each debit.

Returned items cannot be netted from receipts. The State Treasurer's Office will determine how these returned items will be handled.

2. NEBRASKA DEPARTMENT OF REVENUE - ACH CREDIT PROGRAM

The NDR supports receipt of credits to designated State-owned demand deposit accounts for tax payments. The NDR provides taxpayers with file format requirements, appropriate Universal Payment Identification Code (UPIC) for the type of tax being paid.

3. NDR TAX PROGRAMS WHERE EFT FOR TAX PAYMENTS ARE SUPPORTED

The following NDR tax programs support payments are made by EFT. Group 1 lists tax programs NDR has supported over the past several years where ACH transaction volumes are known. Group 2 lists tax programs recently added.

Group 1:

Payments Received Under Existing Tax Programs Supported by NDR (Calendar Year 2011)*				
Tax Program	Debit Transaction Volume	Debit Dollar Amount	Credit Transaction Volume	Credit Dollar Amount
Sales & Use Tax (including Retailer's Use	171,498	\$1,067,513,192.16	13,874	\$643,098,429.40
Business Consumer's Use Tax	1,745	\$5,721,087.41	562	\$6,952,277.61
County Treasurer's Sales Tax	1,014	\$95,812,420.96	108	\$110,699,560.10
Withholding Tax	142,999	\$610,350,071.40	94,917	\$798,406,183.50
Individual Income Tax**	84,461	\$55,886,925.97	0	\$0.00
Corporate Income Tax***	6,329	\$92,897,863.80	1,371	\$93,485,812.44
Corporate Estimated Tax	0	\$0.00	0	\$0.00
Corporate Income Tax Extensions	0	\$0.00	0	\$0.00
Motor Fuels Combined Tax	3,445	\$256,429,770.60	377	\$50,865,515.01
	411,491	\$2,184,611,332.30	111,209	\$1,703,507,778.06
(*) This is not a guarantee of future transactions, only a request for information, pricing and services available by bidders to meet agency needs.				
(**) Includes Debit EFT by Dept and Taxpayer as well as EFWs.				
(***) Includes all types of corporate income tax payments.				

Payments Received Under Existing Tax Programs Supported by NDR (Calendar Year 2012)*				
Tax Program	Debit Transaction Volume	Debit Dollar Amount	Credit Transaction Volume	Credit Dollar Amount
Sales & Use Tax (including Retailer's Use	2,021,426	\$1,190,525,892.96	15,462	\$657,276,292.64
Business Consumer's Use Tax	2,129	\$7,716,828.45	653	\$4,467,704.57
County Treasurer's Sales Tax	1,014	\$104,369,617.76	109	\$121,324,133.56
Withholding Tax	167,144	\$668,113,979.01	102,104	\$867,206,439.48
Individual Income Tax**	94,500	\$52,071,414.03	0	\$0.00
Corporate Income Tax	1,742	\$25,370,676.35	224	\$8,599,748.50
Corporate Estimated Tax	5,789	\$87,678,190.93	1,114	\$90,676,397.76
Corporate Income Tax Extensions	437	\$17,807,295.47	157	\$14,420,569.35
Motor Fuels Combined Tax	3,456	\$285,389,017.99	387	\$1,248,107.54
	2,297,637	\$2,439,042,912.95	120,210	\$1,765,219,393.40
(*) This is not a guarantee of future transactions, only a request for information, pricing and services available by bidders to meet agency needs.				
(**) Includes Debit EFT by Dept and Taxpayer as well as EFWs.				

Group 2:

2011 EFT Tax Programs Recently Supported by NDR (currently paper payments only)*		
Tax Program	Annual Transaction Volume	Annual Tax Receipts Dollar
Fiduciary Income Tax	5,185	\$12,641,954.73
Partnership Income Tax	1,981	\$4,420,959.77
Motorboat Sales Tax	818	\$2,443,875.14
Documentary Stamp Tax	1,095	\$11,237,499.71
Car Line	223	\$4,347,662.73
Air Carrier	37	\$967,161.82
Serverance & Conservation Tax	674	\$5,605,520.78
Cigarette Tax (Returns)	63	\$125,145.38
Cigarette (Purchase Order & Postage)	823	\$59,949,188.41
Tobacco Products Tax	819	\$7,514,285.26
Waste Reduction & Recycling Fee	15,628	\$475,010.04
Tire Fee	4,587	\$1,870,281.53
Litter Fee	1,710	\$1,836,384.35
Lodging Tax	7,639	\$18,290,609.37
Prepaid Wireless Surcharge	0	\$0.00
	41,282	\$131,725,539.02
(*) This is not a guarantee of future transactions, only a request for information, pricing and services available by bidders to meet agency needs.		
2012 Calendar Year (programs that are new to E-Pay for 2013)*		
Tax Program	Annual Transaction Volume	Annual Tax Receipts Dollar
Fiduciary Income Tax	6,151	\$10,370,064.89
Partnership Income Tax	2,324	\$6,210,972.02
Motorboat Sales Tax	851	\$2,939,519.50
Documentary Stamp Tax	1,099	\$13,955,958.91
Car Line	236	\$4,975,171.81
Air Carrier	48	\$1,155,673.91
Serverance & Conservation Tax	773	\$5,833,505.28
Cigarette Tax (Returns)	72	\$288,547.39
Cigarette (Purchase Order & Postage)	826	\$58,631,595.30
Tobacco Products Tax	835	\$8,352,469.69
Waste Reduction & Recycling Fee	15,699	\$507,780.76
Tire Fee	5,039	\$2,037,434.69
Litter Fee	1,652	\$2,123,212.87
Lodging Tax	7,722	\$20,059,857.92
Prepaid Wireless Surcharge	0	\$0.00
	43,327	\$137,441,764.94
(*) This is not a guarantee of future transactions, only a request for information, pricing and services available by bidders to meet agency needs.		

4. THE NDR IS REQUESTING THE BIDDER TO PROPOSE SOLUTIONS TO THE FOLLOWING:

- a. How the bidder will fulfill existing services currently being provided by the contracting bank as defined in the Current Services Provided to NDR by the contracted bank section which follows.
- b. How the bidder will provide for an ACH payment scheduling system as defined in the Optional Requested Services for the Nebraska Department of Revenue section which follows.
- c. How the bidder will provide for an Installment Payments system as defined in the Optional Requested Services for the Nebraska Department of Revenue section which follows.

5. CURRENT SERVICES PROVIDED TO NDR

- a. Provides the NDR a combined electronic Posting or Trap file of all ACH Credit files received daily and all ACH Debit originations from various application sources. This combined file must be in the NACHA standard CCD+ and PPD+ formats. Files must only include credit transactions and not include any reversal transactions, should have their File Create Date in the File Header set to the settlement date for all payments within the file. The files must be made available for the NDR to pick up through FTP via Secure Socket Layer by 5:00 a.m. CT on the day following the effective settlement date.
- b. Provides the Nebraska State Treasurer's Office through a mutually agreed upon electronic transmission method, the amount of receipted funds credited to those accounts designated by the State. This information must be made available to the State Treasurer's Office at the open of business Central Time on the effective settlement date and available for withdrawal by 8:30 a.m. CT.
- c. Revenue reserves the right to return payments that cannot be processed. The handling of these returned items is done by the State Treasurer's Office.
- d. Receive and process debit ACH files in both the NACHA standard CCD+ and the NACHA standard PPD+ formats from the NDR. Examples include the Revenue Department's Payment Plan program, the Streamlined Sales Tax program, and the Revenue Department's Electronic Funds Withdrawal (EFW) programs.
- e. Work with the NDR and the ACH payment scheduling system provider to test debit and credit electronic funds transfers through the ACH system and to test all components of auxiliary systems as requested by the NDR.
- f. Receive and process a file provided by the Nebraska Lottery (a division of the NDR). The contracted ODFI creates an output file for Lottery in a standard ACH format of notification of changes and return items. There may be rare isolated instances where the contracted bank will be required to generate a draft item on non-receiving institutions.
- g. The State Treasurer's Office also allows the NDR to access information to the State tax accounts online. NDR staff needs the functionality to view both the current day and up to thirty (30) days of previous activity via an Internet-based bank information reporting solution. This information must also be made available as a downloadable document.
- h. The NDR supports the following Standard Entry Class Codes that must be supported by the contracting bank.
 - i. CCD+
 - ii. PPD+

- i. The NDR intends to support additional standard entry class codes in the future. The current system allows taxpayers to initiate payments by IVR and Web until 5:00 p.m. CT for the next day's settlement. Bidders must provide a description of cutoff times and ACH processing schedules.

K. OPTIONAL REQUESTED SERVICES FOR THE NEBRASKA DEPARTMENT OF REVENUE
The optional requirements will not be part of the RFP evaluation process. However, the State requests a cost sheet be submitted (see Exhibit 8).

NDR currently uses an Internet and IVR based application to initiate ACH debit entries in various tax filing and tax payment applications. This optional requested ACH payment scheduling system must at a minimum be both an IVR and Internet-based electronic debit application. It must allow the payee to log in via a secure application to initiate payments to the NDR for all types of EFT tax payments supported by the NDR. The IVR component of this service must provide toll-free access using a NDR specified telephone number. The voice prompts for this application must be approved by both the NDR and the bidder. The application must be able to accept Nebraska taxpayer ID number or social security number, accommodate the types of single entry and recurring payments that have different remittance periods (annual, quarterly, and monthly) specified by the NDR. Recurring payments are a series of payments for the same dollar amount withdrawn on dates chosen by the taxpayer within guidelines specified by NDR. The application must be able to provide reports online, allow the user to easily review payment history and pending payments, and allow the user to set up bank account information for multiple bank accounts.

Bidder must provide NDR with a product description, system capabilities, a sample application or website if available for consideration. Bidders must disclose all the potential fees associated with the transaction processing, reporting or file creation for this type of program in the cost proposal of the RFP. NDR and the State Treasurer's Office will give final approval before solution implementation.

1. ACH PAYMENT SCHEDULING SYSTEM REQUIREMENTS SECTION

NDR is seeking information on an optional system to allow taxpayers to schedule ACH payments via the Web, an IVR interface, and through operator-assisted entry. The Web and IVR interface should allow the taxpayer to enter basic payment related information such as Nebraska taxpayer ID, type of tax being paid, tax period end date, amount, and RDFI information needed to complete the ACH transaction. The operator-assisted service would allow the ACH payment scheduling system vendor to enter this same required information reported by the taxpayer by a toll-free telephone call.

Bidder must provide their solutions for the following requested optional services:

- a. The ACH payment scheduling system must provide a public facing Web-based system, IVR system, and operator-assisted service used to collect payment data from taxpayers. Functionality to include;
 - i. Schedule a tax payment – taxpayer should be able to enter
 - a) Payment amount in dollars and cents.
 - b) Scheduled Payment Date. This can be a future date. The system must allow payments to be warehoused for a period of up to one (1) year beyond the current date.
 - c) Tax Period End Date (MMDDYYYY). This can be for past dates, but should not be for future dates or before 01011968 (January 1, 1968).

- d) Nebraska ID Number. The system must verify that the entered Nebraska ID Number is a valid licensed NDR taxpayer – be present on the NDR business master file.
 - e) Tax Type. The system must allow the taxpayer to select a tax type from a list of tax types that taxpayer is licensed to pay.
- ii. Upon completion of scheduling a payment, the ACH payment scheduling system must issue a confirmation number to the taxpayer. The taxpayer must be given the opportunity to review and confirm the details of the payment and have the opportunity to cancel the transaction. Once the taxpayer submits the payment, the system must provide the confirmation number for the payment. A confirmation number must be issued each time a transaction is completed. This is a unique number assigned to a one-time payment when it is initiated, edited, or cancelled.
- iii. The system should provide taxpayer inquiry and payment history. The ACH payment scheduling system should:
 - a) Allow the taxpayer to view pending payments and edit or delete, if necessary;
 - b) Allow the taxpayer to view payment history.
- iv. Register in the system taxpayer banking information. The ACH payment scheduling system should allow registrations to be made in real-time. Both registered and unregistered users should be able to originate payments. Payments originated by unregistered users should require fewer pages to navigate. Registered user should be allowed to create a profile that can be accessed through the application and have access to additional features, including the ability to store bank accounts for future use. Stored banking information would include:
 - a) Bank routing number – system checks to ensure this is a valid entry;
 - b) Bank account number;
 - c) Re-enter bank account number for verification;
 - d) Bank Account Type – checking or savings;
 - e) Business Account? yes or no;
 - f) Option to save account for future use by giving it a name.
- v. Validate registration or payment information entered by the user.
 - a) Show payment detail;
 - b) Show bank account detail;
 - c) Allow taxpayer to enter email address for payment confirmation;
 - d) Terms and conditions -- Taxpayer must read and accept the terms of the authorization and the confirmation number to complete the transaction;
 - e) Payment confirmation with confirmation number assigned and detailed information on transaction;
- vi. Manage taxpayer bank account information:

- a) Allows the taxpayer to add, edit or delete banking information saved in the system.
 - b) Multiple bank accounts may be listed for a single Nebraska taxpayer ID number or SSN.
- vii. Provide user authentication. Authentication functionality should include at a minimum the same functionality supported in the current ACH payment scheduling system.
 - a) Currently a user is authenticated using their Nebraska taxpayer ID number or SSN and system-specific password.
 - 1). First time users use their Nebraska taxpayer ID numbers as their password and are required to change their passwords the first time into the system.
 - 2). Nebraska taxpayer ID numbers and associated tax program data are provided to the vendor via a computer file as agreed upon by the NDR and the selected bidder. Updates to this file are provided daily by NDR.
 - 3). For taxpayers making individual income tax payments, the NDR does not provide preregistration data to the vendor; instead taxpayers must self-register by entering their SSNs through the ACH Payment Scheduling system.
 - b) Preference will be given to vendors who outline a solution that would allow the flexibility to integrate with a future NDR portal. Examples include authentication via Web services or federated services.
 - c) Vendors must provide descriptions of their solutions for user authentication.
- viii. Provide the taxpayer with the ability to change his or her password.
- b. The ACH payment scheduling system must provide an internal Web-based administrative site for NDR users. This system is used by NDR staff to perform a variety of functions:
 - i. Scheduling payments at taxpayer request
 - ii. Cancelling payments at taxpayer request
 - iii. Updating payments at taxpayer request
 - iv. Inquiring on pending and past payments
 - v. Resetting passwords at taxpayer request
- c. The ACH payment scheduling system must be able to support all tax categories allowing EFT supported by NDR and allowing for the addition of new tax programs at the request of the NDR throughout the life of this contract. The bidder should provide a description of the change process of the tax categories (timing, costs, etc.)
- d. The ACH payment scheduling system must have the ability for taxpayers to schedule estimated payments for both individual and business taxes. These recurring payments must be able to be scheduled for dates as specified by the NDR. The current due dates for individual income estimated tax payments are

April 15, June 15, September 15, and January 15. For corporation income tax, the current due dates are April 15, June 15, September 15, and December 15.

- e. The NDR receives and transmits files with the ACH payment scheduling system vendor via secure FTP. These files include:
 - i. Daily Remittance report containing payment information about debit transactions originated by the optional ACH payment scheduling system described in the Optional Requested Services for the Nebraska Department of Revenue section of this RFP.
 - ii. Pre-Registration Response File. This file serves as an acknowledgment from the ACH payment scheduling system that the NDR Pre-registration file has been received.
 - iii. Revenue Pre-registration File. This is a copy of the NDR Business Master File used by the ACH payment scheduling system to authenticate users. Once this file is initially provided, only daily adds, changes, and deletes are sent.
- f. Financial institutions/contractor awarded this service as a stand-alone service will be required to provide the following:
 - i. Separate bank accounts for different types of tax payments
 - ii. Reporting for these bank accounts and a Trap File for these transactions as defined in Current Services Provided to the NDR by the contracted bank.
- g. The bidder must provide an explanation of its data retention proposal for the ACH payment scheduling system.

2. INSTALLMENT PAYMENTS

The NDR wishes to consider allowing taxpayers to guide themselves through a system to set up installment payments for taxes due. This avenue for resolution will be referred to as a Tax Installment Plan (TIP).

Historically, the NDR actively maintains about 3,500 TIPs and processes about 3,700 payments a month with the average payment being near \$185. Every month, about 200 new TIPs are added with about the same number being removed due to resolution. NDR uses Form 27D (Payment and Authorization Agreement) to get approval and to define the necessary information to initiate a TIP. This Form can be accessed via the Web at http://www.revenue.ne.gov/tax/current/fill-in/f_27d.pdf.

There are a variety of situations in which taxpayers wish to setup a TIP. The most common scenarios are as follows:

- a. Taxpayers who file their returns early but cannot pay their obligations in full and want to be setup on a TIP.
- b. Taxpayers who file their returns by the deadline but wait until they receive notification from the NDR before setting up a TIP.
- c. Taxpayers who avoid setting up a TIP until forced collection begins.

The NDR requests a Web-based system be created to generate the payment stream associated with a TIP. This payment stream must allow for ACH Debit and optionally for credit card payments. The bidder must provide a public facing system for taxpayers and an administrative site for NDR users. The public facing system must enable the taxpayer to define the payment amount, bank account information or credit card

information, begin date and payment frequency. The payment frequencies must minimally include weekly, bi-weekly, semi-monthly, 1st and 15th, monthly, and last day of month. Any TIPs beyond 24 months will require the taxpayer to contact the Department. Along with the required information, the TIP application should include a number of fields unrelated to the payment stream. This would be information such as mailing address, phone number, income source and email address.

The defined payment stream of a TIP resolves tax, penalty and interest liabilities for single/multiple tax periods and for single/multiple tax programs. The taxpayer must be able to access the TIP to view payment history, payment schedule, change bank accounts or to allow for one "skip" payment during the life of the agreement. Additional skips would need approval through the administrative site. The skip payment is allowed if it is requested before a specified deadline and will require the TIP to be extended by one payment. Bidder must provide a recommendation for converting legacy TIP agreements from the existing system to the bidder's application.

The administrative site must allow NDR staff the ability to originate new TIPs or to accommodate changes to existing plans. The administrative site must be able to generate a variety of reports as they relate to the historical data of the application. Vendors should submit proposals with sample reports regarding the reporting capabilities. The application must be able to notify parties when identified activities, such as new agreements, skip payments, insufficient funds, completed agreements, have taken place on a TIP. The notifications should be generated in paper or by email. Additionally, this application must have the ability to retain an electronic copy of the TIP as authorized by the taxpayer. As currently noted on the instruction page of the Form 27D, a returned item fee is established by statute for any returned payment and must be included in the TIP language as outlined by the NDR.

All TIPs require authorization by the taxpayers and approval by the Department.

As with the other ACH Debit files, a daily electronic file shall be provided to NDR in the NACHA standard CCD+ and PPD+ formats. This file must be made available for the NDR to pick up through FTP via Secure Socket Layer by 5:00 a.m. CT on the day following the effective settlement date.

Financial institutions bidding on this service as a stand-alone service will be required to provide the following:

1. Separate bank accounts for different types of tax payments.
2. Reporting for these bank accounts and a Trap File for these transactions as defined in Current Services Provided to the NDR by the contracted bank.

Bidder must describe the degree to which its solutions can be customized and costs associated with the work needed to do this customization.

The NDR is exploring options for offsetting the cost of processing TIP agreements. Bidder should also provide an explanation for how an application fee could be charged to the taxpayer to offset costs of system operation.

L. ACH ORIGATION SERVICES - UNIVERSITY OF NEBRASKA

Net pay is originated for the University payroll. Employees may deposit into more than one bank account the transaction count reflects each deposit. Each pay cycle the University makes ACH deposits to vendors (such as retirement plan contributions or health insurance premiums) for the payroll deductions taken from the employees' pay. The vendor payments are included

in the same file as net pay, as a separate batch. Once a month, the University processes a debit file to collect health insurance premiums from retirees that are participating in the University's group health insurance plan. The retiree health premium requires mandatory EFT participation. The University sends payroll files two days in advance. Retiree debit files are transmitted to the bank approximately 10 days in advance. A University staff member calls in file totals via an IVR.

University Payroll - PPD credits			University Vendor Payments - CTX credits		
Fiscal Year	Number of Transactions	Dollar of Transactions	Fiscal Year	Number of Transactions	Dollar of Transactions
July 2012	19,047	\$48,494,636	July 2012	68	\$22,125,269
August 2012	31,752	\$48,442,310	August 2012	70	\$21,832,209
September 2012	33,579	\$47,393,595	September 2012	68	\$21,627,906
October 2012	36,980	\$47,698,944	October 2012	69	\$21,618,834
November 2012	48,184	\$52,741,887	November 2012	81	\$22,461,324
December 2012	36,424	\$48,138,268	December 2012	69	\$21,728,398
	205,966	\$292,909,640		425	\$131,393,938

All figures listed in the chart below represent a historical count of prior activity by the State. These figures are not a guarantee of future transaction counts.

M. ACH ORIGATION SERVICES - NEBRASKA CHILD SUPPORT PAYMENT CENTER (NCSPC)

NCSPC transmits one file a day with multiple batches via a website. NCSPC makes payments to the custodial parent by an ACH transaction to a checking or savings account or to a VISA branded stored value card. The State Treasurer's Office will maintain a separate demand deposit account for NCSPC. All NCSPC analysis activity must be billed monthly to NSPC.

	Transactions				Transactions			
	CCD	PPD	WEB	Total	CCD	PPD	WEB	Total
July 2012	8,766	116,339	5,025	130,130	\$4,947,025.85	\$24,157,788.58	\$2,525,986.97	\$31,630,801.40
August 2012	9,453	113,818	5,694	128,965	\$5,277,473.81	\$24,228,326.41	\$2,928,296.64	\$32,434,096.86
September 2012	8,062	103,239	4,668	115,969	\$4,700,839.31	\$22,075,415.43	\$2,324,093.40	\$29,100,348.14
October 2012	8,999	122,025	5,579	136,603	\$5,169,863.79	\$25,801,204.03	\$2,838,260.31	\$33,809,328.13
November 2012	8,895	111,006	5,723	125,624	\$5,195,708.03	\$23,601,830.92	\$3,013,199.71	\$31,810,738.66
December 2012	8,455	110,597	5,312	124,364	\$4,992,806.23	\$23,751,173.67	\$2,773,526.99	\$31,517,506.89
	52,630	677,024	32,001	761,655	\$30,283,717.02	\$143,615,739.04	\$16,403,364.02	\$190,302,820.08

All figures listed in the chart below represent a historical count of prior activity by the State. These figures are not a guarantee of future transaction counts.

The bank account ledger balance must be collateralized at the level required by State Statute individually of other State bank accounts. From January to December 2012, the highest ledger balance was \$5,833,373.94.

NCSPC staff will need access to NCSPC bank account via an Internet-based information reporting application.

N. ACH ORIGATION SERVICES - NEBRASKA UNEMPLOYMENT INSURANCE

Nebraska Unemployment will need to access to view bank account information, view ACH notice of changes and returns, and complete wires online via an Internet-based bank information reporting application.

Nebraska Unemployment requires that the bank analysis be billed monthly and received electronically. Nebraska Unemployment would like that file in an Excel format or another format that can be edited. The bank account ledger balance must be collateralized at the level

required by state statute individually of other state bank accounts. Please disclose all potential fees associated with this program and a depository account in the cost proposal of the RFP Nebraska Unemployment will give prior, written approval to the application prior to implementation.

Nebraska Unemployment has three (3) transfers for Nebraska Department of Labor, which are both debit and credit files. The batch information is verified by a secure email, it included the number of transactions and the file amounts, and whether they are debits or credits. Information is verified and received the confirmation electronically. Tax payments are accepted via UI connect which can push or pull payment from employer accounts.

2012	TOTAL PAYROLL		CHECKS		DEBIT CARDS		DIRECT DEPOSIT	
JANUARY	84,922	\$ 21,170,966.63	23	\$12,103.00	34,772.0	\$ 7,682,913.57	50,127.0	\$ 13,475,950.06
FEBURARY	86,436	\$ 21,484,729.46	30	\$25,880.69	35,293.0	\$ 7,775,772.20	51,113.0	\$ 13,683,076.57
MARCH	102,570	\$ 25,808,968.52	32	\$43,514.89	43,040.0	\$ 9,761,965.40	59,494.0	\$ 16,003,488.23
APRIL	68,228	\$ 17,016,143.10	25	\$21,023.08	28,345.0	\$ 6,276,820.24	39,859.0	\$ 10,718,299.78
MAY	62,042	\$ 15,406,685.78	37	\$41,332.00	25,284.0	\$ 5,545,929.00	36,596.0	\$ 9,740,581.78
JUNE	75,850	\$ 18,678,060.18	49	\$31,955.00	30,372.0	\$ 6,674,835.62	45,432.0	\$ 11,971,269.56
JULY	58,240	\$ 14,465,053.10	28	\$29,232.55	22,404.0	\$ 4,952,322.15	35,810.0	\$ 9,483,811.40
AUGUST	66,705	\$ 16,720,691.28	27	\$21,303.12	25,555.0	\$ 5,718,819.33	41,122.0	\$ 10,981,077.83
SEPTEMBER	46,389	\$ 11,844,824.53	21	\$ 8,581.55	17,924.0	\$ 4,074,040.00	28,444.0	\$ 7,762,202.98
OCTOBER	44,182	\$ 11,202,993.89	20	\$12,813.73	17,375.0	\$ 3,929,898.46	26,785.0	\$ 7,260,419.70
NOVEMBER	56,612	\$ 14,279,613.26	23	\$12,563.00	22,807.0	\$ 5,117,656.81	33,691.0	\$ 9,102,763.45
DECEMBER	58,400	\$ 14,928,460.06	20	\$ 6,726.50	23,082.0	\$ 5,269,493.00	35,297.0	\$ 9,653,620.56

All figures listed in the chart below represent a historical count of prior activity by the State. These figures are not a guarantee of future transaction counts.

The bank account ledger balance must be collateralized individually of other State bank accounts at the level required by State Statute.

O. ACH ORIGATION SERVICES – TREASURY MANAGEMENT

The Treasury Management Division of the State Treasurer's Office submits ACH files for daily processing. Files often contain multiple batches and are transmitted via a secure website with dual authentication credentials. Criteria for selecting an originating bank will include the ability to provide a secure website with minimum industry authentication standards. ACH files are initiated from both the Treasury Management Division of the State Treasurer's Office, as well as Administrative Services – Accounting Division. The State Treasurer's Office works with many State agencies to offer debit programs. This option continues to grow. The chart below references the volume and types of transactions originated by the State Treasurer's Office and Administrative Services.

TREASURY MANAGEMENT	July 2012	August 2012	September 2012	October 2012	November 2012	December 2012	Total
Consumer ACH Credits (PPD)	\$0.00	\$0.00	\$37.47	\$0.00	\$0.00	\$1,591.35	\$1,628.82
Number of Transactions	0	0	1	0	0	1	2
Corporate ACH Debits (CCD+)	\$14,626,645.22	\$17,789,380.51	\$20,201,175.95	\$25,194,956.54	\$21,728,495.56	\$17,646,058.33	\$117,186,712.11
Number of Transactions	450	467	374	563	389	318	2,561
Corporate ACH Credits (CCD+)	\$7,577,416.59	\$12,304,754.62	\$2,446,542.25	\$17,903,675.96	\$11,575,154.72	\$9,967,208.36	\$61,774,752.50
Number of Transactions	30	33	25	34	33	19	174
Re-presented Check Entries (RCK)	\$3,350.65	\$5,453.48	\$5,353.15	\$3,976.13	\$4,196.52	\$891.78	\$23,221.71
Number of Transactions	33	23	23	18	14	9	120
Consumer ACH Debits (PPD)	\$3,234.03	\$3,011.93	\$3,260.46	\$2,988.41	\$3,273.80	\$3,272.82	\$19,041.45
Number of Transactions	26	26	24	28	32	34	170

All figures listed in the chart below represent a historical count of prior activity by the State. These figures are not a guarantee of future transaction counts.

The State Treasurer's Office requires the ACH financial institution/contractor to provide a Web-based application to initiate a RCK entry through the ACH Network in attempt to collect the debt on insufficient fund checks. All agencies have the option to use this application.

P. ACH ORIGATION – ADMINISTRATIVE SERVICES

Administrative Services coordinates all payments flowing out of the State's accounting system to the bank except those listed individually. Two NACHA ACH formatted files with multiple batches per file are created daily and sent to the bank via direct transmission. Most of the batches in the files are sent with an effective date two or more days in advance, but there is generally at least one batch of limited transactions in the file which is for one-day settlement. Employees may direct their payroll deposits into more than one bank account, so transaction count includes multiples. The ACH financial institution/contractor will be required to provide a PC or Internet-based batch database solution for use by Administrative Services to transmit IRS tax payments and occasional payroll PPD credits.

	Frequency	July 2012	August 2012	September 2012	October 2012	November 2012	December 2012	Totals
State Payroll - PPD	BI	\$39,175,374.30	\$39,234,981.24	\$38,775,860.70	\$55,727,397.45	\$40,305,371.53	\$40,345,868.02	\$253,564,853.24
ACH Payments Per Month	M	41,694	41,639	40,775	58,844	39,935	39,669	262,556
State Payroll - PPD Expense & Reimbursements	D	\$33,035,523.77	\$31,528,855.55	\$40,663,621.39	\$35,472,061.33	\$35,407,974.59	\$34,153,689.07	\$210,261,725.70
ACH Payments Per Month		24,970	15,256	29,004	28,180	28,213	26,045	151,668
State Vendor Payments CTX	D	\$324,211,109.47	\$371,353,892.42	\$468,288,733.69	\$510,427,544.62	\$470,393,998.67	\$444,318,643.18	\$2,588,993,922.05
ACH Payments Per Month		9,658	11,986	10,375	13,396	11,101	11,929	68,445
Infocus (NFO) - PPD/CTX	D	\$42,395,810.64	\$53,904,484.56	\$37,322,484.12	\$48,876,656.07	\$43,090,719.07	\$49,947,651.30	\$275,537,805.76
ACH Payments Per Month		18,668	44,729	16,130	30,376	41,931	39,456	191,290
Medicaid (MCP) - CTX	W	\$119,463,813.60	\$137,801,501.89	\$121,293,446.74	\$166,010,369.51	\$83,184,983.62	\$115,895,530.18	\$743,649,645.54
ACH Payments Per Month		18,161	22,638	17,858	22,171	16,878	17,489	115,195
IRS - CCD (TXP)		\$32,028,352.84	\$35,272,072.54	\$32,646,052.14	\$32,282,883.54	\$38,894,124.06	\$35,243,845.89	\$206,367,331.01
ACH Payments Per Month		23	26	31	33	28	23	164
Originated Addenda		326,769	303,526	282,871	343,503	281,448	326,887	1,865,004
D=Daily								
BI+Bi Weekly		Total Dollar Transactions July 2012 - December 2012				\$4,278,375,283.30		
M=Monthly		Total Transactions July 2012 - December 2012				789,318		
W=Weekly		Total Addenda July 2012 - December 2012				1,865,004		
AN=As Needed								

Q. CURRENT HISTORICAL COUNT

All figures listed in the chart below represent a historical count of prior activity by the State. These figures are not a guarantee of future transaction counts.

All figures listed in the chart below represent a historical count of prior activity by the State. These figures are not a guarantee of future transaction counts.

All Agencies except NCSPC	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12
ACH Return Per Item	447	530	416	461	346	310
ACH Notification of Change	305	335	335	332	203	170
NCSPC only						
ACH Return Per Item	182	163	230	219	193	169
ACH Notification of Change	30	37	20	29	36	23

All figures listed below represent a historical count of prior activity by the State. These figures are not a guarantee of future transaction counts.

All Agencies except NCSPC	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12
ACH Item Adjustment Request	8	11	24	16	4	21
ACH Batch Adjustment Request	0	0	0	2	0	1
NCSPC only						
ACH Item Adjustment Request	3	0	0	0	0	0
ACH Batch Adjustment Request	0	0	0	0	0	0

R. UNIVERSAL PAYMENT IDENTIFICATION CODE (UPIC)

The State requires the selected financial institution to use Universal Payment Identification Codes (UPIC). The State has been using UPIC with different ACH credit payments being paid to the State electronically monthly. The State will continue to expand the use of the UPICs at contract implementation to payments being made monthly, quarterly, semi-annually and annually. The UPIC offers the State fraud protection, the ability to block incoming wires and ACH debits. It also reduces State expenses by allowing the portability of the UPIC to future selected vendors under the State origination agreement without having to do mass postal mailings to thousands of entities/consumers paying the State by ACH credit.

S. DAILY EXPORT

The State requires the ACH financial institution/contractor to provide a daily Comma Separated Value (CSV) export of designated bank accounts' prior day activity by 10 a.m. CT. Four format options are available. This file will be imported into the State ERP system as a part of an automated daily reconciliation process unique to the State. The State requires this information to be exported from a Web-based information reporting application. See Exhibit 5 for descriptions of the formats available.

T. PERFORM IMPLEMENTATION

Bidder must provide a detailed description of the implementation process, including a detailed test plan and a sample implementation schedule. The State has multiple areas that will be a part of the implementation process.

Is the bidder able to complete implementation in the time allowed under the Schedule of Events? With previous implementations of government contracts, what have been any critical factors that may impact completing implementation within the allotted time?

The State is requesting that the ACH financial institution/contractor schedule at least two implementation conference calls, one implementation/training session on site, user manuals for each agency using the services and assign an implementation point of contact person.

U. PROVIDE POST IMPLEMENTATION SUPPORT

1. Describe resources that bidder will provide after implementation, including technical support or on-site visits.
 - a. Does the bidder assign a post implementation point of contact, team or manager to resolve day-to-day operational issues, customer service problems, or other issues during the term of the contract? If so, what is the cost? Please describe their work experience? What are their hours of availability CT?

Does your organization provide a newsletter or email covering industry issues, rules and regulations updates? How often is that distributed/published?

When upgrades or system changes are made, the ACH financial institution/contractor will provide updated user manuals and provide conference calls and training explaining the changes.

V. DELIVERABLES

Refer to the required scope of work for ACH origination services for the following agencies:

Nebraska Lottery – Section IV.H.

Nebraska Lottery – Charitable Gaming - Section IV.I.

Nebraska Department of Revenue – Section IV.J.

UNL Payroll – Section IV.L..

Nebraska Child Support Payment Center – Section IV.M.

Nebraska Department of Labor-Unemployment – Section IV.N.

Nebraska State Treasurer - Treasury Management Department – Section IV.O.

Nebraska Administrative Services – Section IV.P.

Provide a copy of all agreements required to initiate all services listed in this RFP.

W. BIDDER INFORMATION TO SUBMIT

The bidder must provide the following information in response to this Request for Proposal.

1. GENERAL RFP REQUIREMENTS/INFORMATION

Following is a summary of current Credit Card Processing services for the State of Nebraska. Bidders must provide a response that meets or exceeds these services.

All figures listed in this RFP represent a historical count of ACH transactions, ACH returns, return checks, credit card and debit card transactions processed by the State and governmental entities and political subdivisions under the State's contracts. These figures are not a guarantee of future transaction counts. Figures are provided for the benefit of bidders in the development of their proposals.

a. THIS RFP PROVIDES THREE (3) OPTIONS FOR BIDDING:

- i. Option A, ACH Origination Services,
- ii. Option B, Credit Card Processing
- iii. Option C ACH Origination Services and Credit Card Processing.

Bidders may bid on any or all options. In order for a bidder to be considered for more than one option, a complete, separate proposal (Corporate, Executive, Technical, and Cost) must be submitted for EACH option. Each proposal submitted must clearly identify which option is being bid.

X. PROJECT OVERVIEW

State Agencies, the University of Nebraska and the State College System, as well as any other entities of cities, counties or municipal government, may use this contract. There are 93 counties and 530 cities, in addition to other governmental subdivisions that could potentially use any of the services under this contract. It is expected that this higher volume will result in a pricing schedule that takes this into account. It will be the responsibility of the Credit Card financial institution/contractor(s) to contact the cities, counties and other governmental subdivisions regarding the potential to participate under the contract. The State Treasurer's Office will manage the contract on behalf of State agencies. Each municipality, county or

other governmental subdivision will establish a relationship with the Credit Card financial institution/contractor and negotiate business and technical requirements according to the specific needs of each within the constraints of the contract.

The State Treasurer is requesting proposals for credit card and debit card acceptance; processing and support services for State agencies and governmental entities and political subdivisions that wish to participate under the State's contract.

Bidders should review Transaction volume from January 2010 through December 2012 detailed in Exhibit 1 when preparing their responses.

State objectives of this portion of the RFP include:

1. To continue to provide constituents using State services with payment options.
2. To offer multiple levels of government an opportunity to use the same Credit Card financial institution/contractor, thereby benefiting from the overall volume of card usage throughout the State and development of a pricing model that takes into account the combined higher volumes.
3. To expedite availability and access to funds in order to more efficiently manage the cash flow of funds at the State level, governmental or political subdivision level.
4. To reduce processing charges related to the cost associated with the acceptance of credit cards by State, Municipal and County governmental entities and political subdivisions.
5. To contract with a vendor who will provide current and emerging technologies as available to the card industry.
6. To provide daily/monthly reporting as needed by State agency and State Treasurer's staff.
7. To provide alternative credit card/debit card acceptance processing options that will allow entities operating under the contract the option of not storing credit card data by allowing the selected vendor to manage the data and provide payment files to entities to update their records.
8. To contract with a vendor that can continue Interchange Management support to entities using services under this contract.
9. To provide compliance support services in relation to work awarded under this RFP.

Y. PROJECT ENVIRONMENT

Multiple State agencies are involved in credit card acceptance and processing on the State's behalf. A list of entities using services under the State of Nebraska credit card acceptance and processing merchant agreement is contained in Exhibit 2 of the RFP. This list is subject to change. It will be the responsibility of the Credit Card financial institution/contractor, after the contract has been awarded, to contact cities, counties and other governmental subdivisions regarding the potential to participate under the contract resulting from this RFP.

Z. PROJECT REQUIREMENTS

1. Each bidder is responsible to research Nebraska State Statutes for their legal responsibilities when doing business with the State. References to certain State Statutes are provided in this RFP, but are not all inclusive to the legal requirements of the contractor.
 - a. **Neb.Rev.Stat. § 48-1122—Prohibition of Discrimination;**
 - b. **Neb.Rev.Stat § 73-205(3)—Technology Access Standards;**
 - c. **Neb.Rev.Stat § 73-506(2)—Service contracts with unspecified or unlimited duration;**

- d. **Neb.Rev.Stat § 73-506(1)—The State cannot pay for deliverables not received;**
 - e. **Neb.Rev.Stat § 81-2401 to 81-2408—Prompt Payment Act;**
 - f. **Neb.Rev.Stat § 81-118.01-Electronic Payment; acceptance; conditions Nebraska State Constitution, and**
 - f. **Article XIII, § 3—Prohibits indemnification and limitations of liability.**
2. The bidder is responsible to meet State Statute requirements for collateralization of State deposits. Bidders will at a minimum reference Neb. Rev. Stat. Section 77-2395, 77-2389, 77-2398, and 77-2387. Collateral requirements are applicable to all State agency accounts serviced under this contract. Collateral requirements range from 102 percent to 105 percent of the bank account ledger balance. The State requires a statement of collateral be provided on a calendar month basis. The agreement for collateral arrangements must require the signature of a State designated representative before collateral purchased on behalf of the State is released.

*Alternative Terms and Conditions proposed by the bidder that are in violation of or conflict with Nebraska State Statutes or the Nebraska State Constitution will be rejected by the State.

AA. BUSINESS REQUIREMENTS

1. CREDIT CARD BUSINESS REQUIREMENTS

*Bidder must acknowledge agreement and ability to comply with all business requirements listed. Bidder must indicate if the solution proposed in the RFP response is customized or provided by a third Party.

- a. The Credit Card Financial institution/contractor must be a member of Visa and MasterCard Card Associations.
- b. The Credit Card financial institution/contractor must be a financial institution pursuant to Neb. Rev. Stat. Section 77-2301.
- c. Collateral requirements: The Credit Card financial institution/contractor is responsible to meet State Statute requirements for collateralization of state deposits. Credit Card financial institution/contractor will at a minimum reference Neb. Rev. Stat. Section 77-2395, 77-2389, 77-2398, and 77-2387. Collateral requirements are applicable to all State agency accounts serviced under this contract. Collateral requirements range from 102 percent to 105 percent of the bank account ledger balance. The State requires a statement of collateral be provided on a calendar month basis. The agreement for collateral arrangements requires the signature of a State designated representative before the release of collateral.
- d. The Credit Card financial institution/contractor must be a member of the Federal Deposit Insurance Corporation (FDIC) or National Credit Union Administration (NCUA).
- e. Merchant Statements must be provided for each merchant ID number upon request. The State Treasurer's Office is willing to receive this information via secure email. Bidder must specify options available for delivery of the merchant statements. Statements must including the following:
 - i. Merchant Number;
 - ii. Deposit Details: process date, transaction number, batch amount, adjustments, charge backs, net amount;
 - iii. Adjustment Detail: process date, batch amount, reason, deposit correction, amount;

- iv. Authorization Detail: number of transactions, amount, and authorization fees per card type.
- v. Other Detail: description of item, number, rate/fee, and total fee.
- f. Bidder must include sample merchant fee statements in the response. Bidder must include a description of any information regarding the fields of data presented on the merchant statement that are not easily identifiable.
- g. Payment of Merchant Fees
 - i. The State Treasurer's Office will work with the Credit Card financial institution/contractor and the State agencies to set up the payment process for merchant fees. The State Treasurer will require that most State agencies' merchant fees be debited from the State account. A few State agencies require an invoice instead of being debited.

Bidder may not, under any circumstances, propose the netting of merchant fees or the withholding of revenue out of daily batch settlements for any services.

2. CREDIT CARD FINANCIAL INSTITUTION/CONTRACTOR

Contractor will provide all equipment at no cost to the merchants under this contract. Equipment should be EMV-enabled POS devices with the same level of functionality or more than the merchant's existing equipment. Also included, at no cost, there must be repairs, software updates and maintenance for the term of the contract and any renewal periods. This would also include any new or existing merchant participating during the contract or any renewal periods.

Currently there are 324 pieces of equipment in use. It is expected that the number of merchants will increase during the term of this contract and any renewal periods. Therefore, the State is requiring the bidder to provide the cost proposal (Exhibit 6) based on 475 pieces of equipment. Exhibit 3 provides the bidder a list of some of the current equipment.

- a. Cashing of State Warrants - The Credit Card financial institution/contractor is required to cash Nebraska State warrants and warrants issued by the NCSPC free of charge and without requiring a fingerprint as required in Neb. Rev. Stat. 77-2301.
- b. Annual Report
The Credit Card financial institution/contractor will be required to provide an annual report for the period July 1 to June 30 to the State Treasurer's Office for all transaction counts processed under any contracts. The report will be due August 1 and provide transaction counts and dollar amounts per entity. Statistics will be broken down on a monthly basis by entity, type of transactions (MO/TO, card present, Internet), number of transactions, and dollar amounts per card type.
- c. The State Treasurer's Office will approve all additional State agency programs that will be set under the contract. The State Treasurer's Office will direct where funds for new or existing programs will be deposited. State Treasurer staff will have the opportunity to attend all vendor presentations and meetings with State agencies when discussing new or existing services. The State Treasurer's Office will coordinate settlement decisions with the vendor and the State agency.

- d. The Credit Card financial institution/contractor must not sell or use cardholder information, including names and addresses, for purposes other than those agreed upon in writing with the State Treasurer's Office.
- e. The bidder should keep the State educated on all changes to the rules and regulations by providing training or materials related to the updated or new rules and regulations.

BB. SCOPE OF WORK

The following information provides a description of the State agency project requirements. Bidder requirements are in multiple sections of this RFP. The figures listed represent recent transaction counts and are not a guarantee of future volumes. The below narratives were based on the use of current services and are being provided to assist bidders in preparing a quality response. Each bidder must respond to all requirements and provide data detailing ability to meet State agency needs. A bidder must work with current vendors of these State agencies and discuss any difficulties, issues or concerns that might arise during transition or implementation. State agencies may have special requirements to all or part of this RFP. Special requirements are as follows:

Credit card financial institution/contractor will provide all equipment at no cost to the merchants under this contract. Equipment should be EMV-enabled POS devices with the same level of functionality or more than the merchant's existing equipment. Also included, at no cost, should be repairs, software updates and maintenance for the term of the contract and any renewal periods. This would also include any new or existing merchant participating during the contract or any renewal periods.

Currently there are 424 pieces of equipment in use. It is expected that the number of merchants will increase during the term of this contract and any renewal periods. Therefore, the State is requiring the bidder to provide the cost proposal (Exhibit 6) based on 475 pieces of equipment. Exhibit 3 provides the bidder a list of some of the current equipment.

CC. CREDIT CARD SERVICES - NEBRASKA CHILD SUPPORT PAYMENT CENTER

Number of merchant IDs: 5

1. Merchant ID No. 7669240 handles payments processed through a credit card terminal for walk up payments taken at our payment window.
2. Merchant ID No. 8311393 handles payments processed over the phone (calls are recorded) using a credit card terminal to collect on bank return items and overpayment recoveries.
3. Merchant ID No. 5953945 handles payments processed over the Centurion automated phone system for child support.
4. Merchant ID No. 10307913 handles payments processed through Official Payment Corporation's website.
5. Merchant ID No. 10307926 is not being used. This ID is intended for a website accessible by the public to process bank return items and overpayment items.

Child support payments received via credit card are shown on the merchant bank's prior day report provided the payment was processed by midnight CT. The credits are reflected with the total incoming wire transfers.

Receipt information made on the Web is entered by the payor on Official Payment's website and transmitted to the merchant bank. A report of the previous day's payments are emailed to

the NCSPC and contains an Excel spreadsheet with the totals and payors' information (name, phone number, and ARP ID), as well as a text file that is in the NACHA CIE format that populates database tables within KidCare. The automated phone system processes payments in a similar manner. The payor is assigned a unique bank ID which identifies his/her payor information. Once the phone system has identified the payor, the payor can proceed to enter one's credit card information. (Note: PayFuse is used by the NCSPC to process credit card payments in connection with the bank). NCSPC employees log onto the PayFuse website to retrieve credit card payment information for credit card transactions made by phone. The day the funds are received from the bank and data is the same day the payments are posted through KidCare Que Manager and given an effective date. A cut off time of 11 p.m. was established and funds received at the bank are carried over to the next business day if received between 11 CT p.m. and 12 a.m. CT. The amounts per the bank information reporting system are compared with the data downloaded into KidCare (the Nebraska Child Support System) and statements from Official Payments, PayFuse, and the settlement reports generated by the recovery and front desk terminals.

Child support payments are also received at the receipts payment window (merchant ID No. 7669240). The staff member working at the payment window uses a credit card terminal to get immediate approval on the payment. The \$15 convenience fee is waived when payments are made at the NCSPC office per MasterCard/Visa convenience fee regulations. These amounts are later compared to the settlement report created the following day from the terminal the card was processed on and to the merchant's previous day's bank statement.

Credit card payments which are processed and applied towards debt recovery (merchant ID No. 8311393) are handled by the internal Collections Department even if they are paid at the front window. The amount processed is compared to the settlement report created the following day from the terminal the card was processed on and the merchant's previous day's bank statement.

DD. CREDIT CARD SERVICES – DEPARTMENT OF REVENUE

Number of merchant ID numbers: 5

The Nebraska Department of Revenue uses only one card payment origination service, Official Payments Corporation. The card payment origination service provides a portal to individuals or entities making credit and debit card payments to the NDR. The card payment origination system allows taxpayers to schedule card payments via a Web or IVR interface. The Web and IVR interfaces allow taxpayers to enter basic payment related information.

The card payment origination service transmits all payments to the State's bank for authorization and processing and funds settle to an account at the State's bank.

1. Card types accepted include Visa, MasterCard, Discover and American Express

The current card payment origination vendor provides the NDR electronic files of payment card transactions received daily. These files are in the NACHA standard CCD+ and PPD+ formats. These files will only include payment card transactions and will not include any reversal transactions. In addition to the NACHA files, the NDR requires the Credit Card Financial institution/contractor to provide a daily report of detailed payment transaction information by merchant ID within settlement date. These files and reports must be made available for the NDR to pick up through FTP via Secure Socket Layer by 5:00 a.m. CT on the day following the effective settlement date.

The State Treasurer's Office also allows the NDR online access to bank accounts associated with the Revenue designated merchant IDs. This information must also be made available as a downloadable document.

Card reversals/chargebacks are not to be debited through the banking system. The following steps are to be taken in situations regarding card payment reversals/chargebacks.

1. The card service provider must notify the Department of Revenue in writing before any action is taken associated with a card payment reversal/chargeback.
2. The notification from the card service provider must contain the original payment transaction information.
3. The Department will research the payment to determine that the payment has not been refunded and will then send a notice of approval (FAX) authorizing the card service provider to invoice the Department of Revenue for the amount of the payment (net of fees).
4. The Department of Revenue will process the invoice and generate a payment to the card services provider.

Bidder must provide NDR with a product description, system capabilities, a sample application or website if available for consideration. NDR does not absorb any transaction fees associated with card payments. Bidder must disclose all the potential fees associated with the transaction processing, reporting or file creation for this type of program in the cost proposal of the RFP, including any fees charged to the taxpayer. NDR and the State Treasurer's Office will give final approval prior to solution implementation.

EE. CREDIT CARD SERVICES - NEBRASKA GAME AND PARKS

Number of merchant ID numbers: 15

The Nebraska Game and Parks Commission (NGPC) uses approximately 18 credit card swipe machines across the State at various NGPC locations; 80 magnetic swipes for ActiveNetwork and 24 magnetic swipes for POS Permitting system. The terminals must be settled at a predetermined time – preferably midnight in each area's time zone. Regular business hours are 24X7 so batch settling at midnight will allow reconciliation with daily financial records.

The NGPC accepts Visa and MasterCard online and in person for permits, reservations, retail items, NEBRASKAland subscriptions, boat registration renewals, donations. Each transaction entered into the online permitting systems generates a unique order ID. To manage these transactions and provide administration for inquiries and refunds, the following capabilities for a Payment Authorization System are needed:

1. STORAGE REQUIREMENTS

The NGPC requires all transactions stored for a minimum of 13 months.

2. SETTLEMENT

NGPC must have the capability to have transactions settle automatically or manually, selection to be made by the NGPC. The NGPC would prefer to have transactions settle at midnight for each time zone.

3. ORDERS

NGPC must have the capability to search by specific criteria.

The minimum criteria include the time, account number, order ID, merchant number, transaction date, authorization number, amount and card type. It must also include choice for transaction types such as approvals or declines or all.

- a. The capability to search on a date range. (The range must include specific criteria such as searching by beginning and ending dates and searching by a specific month.) A minimum of three months is needed for the search criteria with beginning and ending dates.
- b. To initiate manual authorizations or manual credits.
- c. To return/refund all or part of an order.
- d. To void an order.
- e. To access the reports for integration into the NGPC software systems via a Web service.

4. **REPORTS**

NGPC must be able to run reports and export data into Excel as follows:

- a. View daily or monthly reports.
- b. View what transactions make up a batch settlement
- c. Produce a customized report showing settlement data.
- d. Access individual transaction details (The capability to access the reports for integration into NGPC software systems via a Web service.)
- e. View statements
- f. Search for credit card transaction or refunds by merchant number; credit card number (last 4 digits only or first 4 and last 4 digits); dollar amount; date range. Searched information will provide transaction date and authorization number

Bidder must describe administration and other features of the authorization system.

NGPC contracts with two vendors for credit card acceptance:
ActiveNetwork (Reserve America) and Nebraska.gov

5. **ACTIVENETWORKS purchased RESERVE AMERICA**

NGPC must have the ability to process credit cards in real time. The ReserveAmerica ORMS application currently interfaces with Cybersource for real time processing on behalf of the NGPC. Bidder must confirm the ability to interface with the Cybersource Payment Gateway Solution (Web-based) for real time credit card processing.

NGPC uses the merchant bank website reporting to view merchant deposits and chargeback information.

6. **BIG GAME PERMIT “DRAWING” APPLICATIONS**

The big game “drawing” application process consists of established time frames within a calendar year where eligible customers can electronically submit applications and permit fees for various permits. The application time frames, in most cases, encompass a 30 to 45-day period. At the close of each of the established time frames, those applicants in good standing are randomly selected/drawn and awarded available permits. On occasions the number of eligible applicants exceeds the number of permits available. Those applicants participating in the respective “drawing(s)”, and not awarded permits, are not charged permit fees.

Requirements: The merchant bank must have the capability to allow the merchant to simultaneously process routine electronic credit card transactions and individual “drawing” applicant electronic credit card transactions. The credit card transactions related to the “drawing” applicants will be submitted immediately to the merchant bank to determine the validity of each customer’s credit card number and return a confirmation to the merchant that the charge account is in good standing via a pre-

authorization. The dollar amount of each of the “drawing” applicant charges would be held in a pending status by the merchant bank and would not be automatically settled as a part of the credit card business. The merchant does not want to store credit card numbers, the intended approach is to maintain a database of the internally assigned customer transaction/order ID and related authorization code for those “drawing” credit card transactions flagged as in good standing and in pending status. For those applicants who are randomly selected/drawn and awarded permits during the respective “drawing(s),” the merchant will re-submit the customer information to obtain the actual permit fees. A single pre-authorization must allow multiple distinct charges to be submitted against serially. This is for scenarios when a single order is used for multiple draw applications.

7. FUEL SERVICES

Lewis and Clark State Recreation Area accept credit cards at the fuel pump and inside the marina. The State Recreation Area (SRA) only uses one pump. The fuel system used at Lewis and Clark is a Gilbarco Passport Single Pay Point System (E-POS) system number PA0324PB52D.

Bidder must describe in detail its ability to process fuel payments and explain how fuel transaction acceptance varies compared to regular credit card transaction acceptance.

FF. CREDIT CARDS – NEBRASKA.GOV

Nebraska.gov serves as the State’s official Web portal and network. Oversight for operation of the portal is statutorily assigned to the Nebraska State Records Board (NSRB). Since 1995, the NSRB has contracted with a private company, Nebraska Interactive, LLC (NI), for the management of the portal.

Among the services provided by NI is credit card processing. Acting on behalf of NSRB through interagency agreements with each agency, the NSRB and NI, software applications are developed by NI that allow agencies to provide online data searches, license renewals, and other services that have an associated fee. Each application includes an interface into a payment gateway that is capable of processing credit card payments. Some credit card payments are processed through the State’s office Web portal and are settled into the State Treasurer’s bank account. Following is a list of those agencies:

1. Administrative Services
2. Department of Health and Human Services
3. Board of Public Accountancy
4. Tourism Commission
5. State Electrical Division
6. Nebraska Real Estate Commission
7. Secretary of State

GG. CREDIT CARDS – NEBRASKA DEPARTMENT OF ROADS

Number of merchant ID numbers – 2

HH. CREDIT CARDS – PERU STATE COLLEGE

1. Number of merchant ID numbers – 2
2. Number of swipe machines – 1

Peru State College uses TouchNet as a third-party vendor, and accepts Visa, MasterCard and, Discover cards.

II. CREDIT CARDS – WAYNE STATE COLLEGE

1. Number of merchant ID numbers – 1

Wayne State College uses TouchNet as a third-party vendor, and accepts Visa, MasterCard, and Discover cards.

JJ. CREDIT CARDS – CHADRON STATE COLLEGE

1. Number of merchant ID numbers – 2
2. Number of swipe machines – 1

Chadron State College uses TouchNet and SCT as a third-party vendor.

KK. CREDIT CARDS – UNIVERSITY OF NEBRASKA at KEARNEY

1. Number of merchant ID numbers – 6
2. Number of swipe machines – 6

Third party vendors: JSA Technologies (Cybersource, Tech Threat Media – PayPal), and TouchNet.

LL. CREDIT CARDS – UNIVERSITY OF NEBRASKA at OMAHA

1. Number of merchant ID numbers – 15
2. Number of swipe machines – 9

Third party vendors: Tender Retail, TicketMaster, and CashNet and accepts Visa, MasterCard, American Express and Discover.

MM. CREDIT CARDS – UNIVERSITY OF NEBRASKA – LINCOLN

1. Number of merchant ID numbers – 49
2. Number of swipe machines – 38

Third party vendors: TicketMaster and Paciolan

NN. CREDIT CARDS – UNIVERSITY OF NEBRASKA MEDICAL CENTER

1. Number of merchant ID numbers – 18
2. Number of swipe machines – 33

UNMC accepts Visa and MasterCard as well as American Express and Discover at some locations.

OO. CREDIT CARDS – OTHER STATE AGENCIES

These State agencies use swipe machines and may also use portal services under the Nebraska.gov section.

1. NEBRASKA BRAND COMMITTEE

- a. Number of merchant ID numbers – 1
- b. Number of swipe machines - 2

2. NEBRASKA STATE HISTORICAL SOCIETY

- a. Number of merchant ID numbers – 2
- b. Number of swipe machines - 2

3. NEBRASKA DEPARTMENT OF AGRICULTURE

- a. Number of merchant ID numbers – 2
- b. Number of swipe machines - 1

4. NEBRASKA DEPARTMENT OF INSURANCE

- a. Number of merchant ID numbers – 2
- b. Number of swipe machines - 1

5. DAS COMMUNICATIONS

- a. Number of merchant ID numbers – 2
- b. Number of swipe machines - 1

6. NEBRASKA LIQUOR CONTROL COMMISSION

- a. Number of merchant ID numbers – 3
- b. Number of swipe machines – 1

7. NEBRASKA REAL ESTATE COMMISSION

- a. Number of merchant ID numbers – 2
- b. Number of swipe machines - 1

8. NEBRASKA STATE ELECTRICAL DIVISION

- a. Number of merchant ID numbers – 2
- b. Number of swipe machines – 1

Exhibit 7 shows some of the agency websites that provide online credit card transactions.

PP. PERFORM IMPLEMENTATION

Bidder must provide a detailed description of the implementation process, including a detailed test plan and a sample implementation schedule. The State has multiple areas that will be a part of the implementation process.

Is the bidder able to complete implementation in the time allowed under the Schedule of Events? With previous implementations of government contracts, what have been any critical factors that may impact completing implementation with the allotted time?

The state is requesting that the Credit Card financial institution/contractor schedule at least two implementation conference calls, one implementation/training session on site, user manuals for each agency using the services and assign an implementation point of contact person.

QQ. PROVIDE POST IMPLEMENTATION SUPPORT

1. Describe resources that bidder will provide after implementation, including technical support or on-site visits.
2. Does the bidder assign a post implementation point of contact, team or manager to resolve day-to-day operational issues, customer service problems, or other issues during the term of the contract? If so, what is the cost? Please describe their work experience? What are their hours of availability CT?
3. Does your organization provide a newsletter or email covering industry issues, rules and regulations updates? How often is that distributed/published?
4. When upgrades or system changes are made, the Credit Card financial institution/contractor will provide updated user manuals and provide conference calls and training explaining the changes.

RR. DELIVERABLES

Bidder shall provide the Marketing Material and Implementation Plan in its response to this proposal. This information can be included as a separate tab/section labeled "Deliverables" or be included in the Technical Approach Section. The cost proposal shall include all transactional costs for each of the major brand credit cards making sure to include the follow items:

1. **CREDIT CARD PROCESSING SERVICES**
2. **INTERCHANGE FEES**
3. **AUTHORIZATION FEES**
4. **PROCESSING FEES**
5. **MERCHANT FEES**

Provide a copy of all agreements required to initiate all services listed in this RFP.

V. PROPOSAL INSTRUCTIONS

This section documents the mandatory requirements that must be met by bidders in preparing the Technical and Cost Proposal. Bidders should identify the subdivisions of "Project Description and Scope of Work" clearly in their proposals; failure to do so may result in disqualification. Failure to respond to a specific requirement may be the basis for elimination from consideration during the State's comparative evaluation.

Proposals are due by the date and time shown in the Schedule of Events. Content requirements for the Technical and Cost Proposal are presented separately in the following subdivisions:

A. TECHNICAL PROPOSAL

The Technical Proposal shall consist of four (4) sections:

1. SIGNED in ink "State of Nebraska Request For Proposal For Contractual Services" form;
2. Executive Summary;
3. Corporate Overview; and
4. Technical Approach.

1. REQUEST FOR PROPOSAL FORM

By signing the "Request For Proposal For Contractual Services" form, the bidder guarantees compliance with the provisions stated in this Request for Proposal, agrees to the Terms and Conditions stated in this Request for Proposal and certifies bidder maintains a drug free work place environment.

The Request For Proposal For Contractual Services form must be signed in ink and returned by the stated date and time in order to be considered for an award.

2. EXECUTIVE SUMMARY

The Executive Summary shall condense and highlight the contents of the solution being proposed by the bidder in such a way as to provide the Evaluation Committee with a broad understanding of the Contractor's Technical Proposal.

Bidders must present their understanding of the problems being addressed by implementing a new system, the objectives and intended results of the project, and the scope of work. Bidders shall summarize how their Technical Proposal meets the requirements of the Request for Proposal, and why they are best qualified to perform the work required herein.

3. CORPORATE OVERVIEW

The Corporate Overview section of the Technical Proposal must consist of the following subdivisions:

a. BIDDER IDENTIFICATION AND INFORMATION

The bidder must provide the full company or corporate name, address of the company's headquarters, entity organization (corporation, partnership, proprietorship), state in which the bidder is incorporated or otherwise organized to do business, year in which the bidder first organized to do business, whether the name and form of organization has changed since first organized, and Federal Employer Identification Number and/or Social Security Number.

b. FINANCIAL STATEMENTS

The bidder must provide financial statements applicable to the firm. If publicly held, the bidder must provide a copy of the corporation's most recent audited financial reports and statements, and the name, address and telephone number of the fiscally responsible representative of the bidder's financial or banking organization.

If the bidder is not a publicly held corporation, either the reports and statements required of a publicly held corporation, or a description of the organization, including size, longevity, client base, areas of specialization and expertise, and any other pertinent information must be submitted in such a manner that proposal evaluators may reasonably formulate a determination about the stability and financial strength of the organization. Additionally, a non-publicly held firm must provide a banking reference.

The bidder must disclose any and all judgments, pending or expected litigation, or other real or potential financial reversals, which might materially affect the viability or stability of the organization, or state that no such condition is known to exist.

c. CHANGE OF OWNERSHIP

If any change in ownership or control of the company is anticipated during the twelve (12) months following the proposal due date, the bidder must describe the circumstances of such change and indicate when the change will likely occur. Any change of ownership to an awarded contractor(s) will require notification to the State.

d. OFFICE LOCATION

The bidder's office location responsible for performance pursuant to an award of a contract with the State of Nebraska must be identified.

e. RELATIONSHIPS WITH THE STATE

The bidder shall describe any dealings with the State over the previous five (5) years. If the organization, its predecessor, or any party named in the bidder's proposal response has contracted with the State, the bidder shall identify the contract number(s) and/or any other information available to identify such contract(s). If no such contracts exist, so declare.

f. BIDDER'S EMPLOYEE RELATIONS TO STATE

If any party named in the bidder's proposal response is or was an employee of the State within the past twelve (12) months, identify the individual(s) by name, State agency with whom employed, job title or position held with the State, and separation date. If no such relationship exists or has existed, so declare.

If any employee of any agency of the State of Nebraska is employed by the bidder or is a subcontractor to the bidder, as of the due date for proposal submission, identify all such persons by name, position held with the bidder, and position held with the State (including job title and agency). Describe the responsibilities of such persons within the proposing organization. If, after review of this information by the State, it is determined that a conflict of interest exists or may exist, the bidder may be disqualified from further consideration in this proposal. If no such relationship exists, so declare.

g. CONTRACT PERFORMANCE

If the bidder or any proposed subcontractor has had a contract terminated for default during the past five (5) years, all such instances must be described as required below. Termination for default is defined as a notice to stop performance delivery due to the bidder's non-performance or poor performance, and the issue was either not litigated due to inaction on the part of the bidder or litigated and such litigation determined the bidder to be in default.

It is mandatory that the bidder submit full details of all termination for default experienced during the past five (5) years, including the other party's name, address and telephone number. The response to this section must present the bidder's position on the matter. The State will evaluate the facts and will score the bidder's proposal accordingly. If no such termination for default has been experienced by the bidder in the past five (5) years, so declare.

If at any time during the past five (5) years, the bidder has had a contract terminated for convenience, non-performance, non-allocation of funds, or any other reason, describe fully all circumstances surrounding such termination, including the name and address of the other contracting party.

Bidders must submit at least three references from existing bidder customers of similar size or program dynamics for the business being bid on. Bidders will not include any more than one reference per corporate or governmental entity. These references must be using the same types of required services requested in this proposal. Bidders must not include any State employees (including University of Nebraska employees) in the references. Bidders must include a brief description of services provided for these entities and how long they have been a contractor for the referenced entity. Bidders should specify how the services were awarded by the reference entity (for example: through competitive bid process, credit relationship, et cetera.) Please include the reference name, phone number, FAX number, government/corporate/higher education entity name, title, and address.

It is the bidder's responsibility to verify the references' willingness to participate in the State RFP process, the reference contact instructions and that the correct entity contact reference name is provided in the RFP response. The State will not contact bidders for additional references. A reference's refusal to participate in the process could cost the bidder points during the evaluation process.

If the bidders use a subcontractor, the bidder should include subcontractor references.

h. SUMMARY OF BIDDER'S CORPORATE EXPERIENCE

The bidder shall provide a summary matrix listing the bidder's previous projects similar to this Request for Proposal in size, scope and complexity. The State will use no more than three (3) narrative project descriptions submitted by the bidder during its evaluation of the proposal.

The bidder must address the following:

- i. Bidder must provide narrative descriptions to highlight the similarities between their experience and this Request for Proposal. These descriptions must include:
 - a) the time period of the project;
 - b) the scheduled and actual completion dates;
 - c) the contractor's responsibilities;
 - d) for reference purposes, a customer name (including the name of a contact person, a current telephone number, a facsimile number and e-mail address); and
 - e) each project description shall identify whether the work was performed as the prime contractor or as a subcontractor. If a bidder performed as the prime contractor, the description must provide the originally scheduled completion date and budget, as well as the actual (or currently planned) completion date and actual (or currently planned) budget.
- ii. Contractor and subcontractor(s) experience must be listed separately. Narrative descriptions submitted for subcontractors must be specifically identified as subcontractor projects.
- iii. If the work was performed as a subcontractor, the narrative description shall identify the same information as requested for the contractors above. In addition, subcontractors shall identify what share of contract costs, project responsibilities, and time period were performed as a subcontractor.

If the contractor intends to use any subcontractors' services, the subcontractor(s) must be identified by name and contact information, and the subcontractors' level of effort, tasks and time allocation must be clearly defined in the contractor's proposal. A copy of the proposed subcontract must be included in the proposal. The ability of the subcontractor to perform the subcontracted services will be part of the State's evaluation of the proposal. The contractor shall agree that it will not use any subcontractors not specifically included in its proposal, in the performance of the contract, without the prior written authorization of the State. Following execution of the contract, the contractor shall proceed diligently with all services and shall perform such services with qualified personnel in accordance with the contract.

i. **SUMMARY OF BIDDER'S PROPOSED PERSONNEL/MANAGEMENT APPROACH**

The bidder must present a detailed description of its proposed approach to the management of the project.

The bidder must identify the specific professionals who will work on the State's project if their company is awarded the contract resulting from this Request for Proposal. The names and titles of the team proposed for assignment to the State project shall be identified in full, with a description of the team leadership, interface and support functions, and reporting relationships. The primary work assigned to each person should also be identified.

The bidder shall provide resumes for all personnel proposed by the bidder to work on the project. The State will consider the resumes as a key indicator of the bidder's understanding of the skill mixes required to carry out the requirements of the Request for Proposal in addition to assessing the experience of specific individuals.

Resumes must not be longer than three (3) pages each. Resumes shall include, at a minimum, academic background and degrees, professional certifications, understanding of the process, and at least three (3) references (name, address, and telephone number) who can attest to the competence and skill level of the individual. Any changes in proposed personnel shall only be implemented after written approval from the State.

j. SUBCONTRACTORS

If the bidder intends to subcontract any part of its performance hereunder, the bidder must provide:

- i. name, address and telephone number of the subcontractor(s);
- ii. specific tasks for each subcontractor(s);
- iii. percentage of performance hours intended for each subcontract; and
- iv. total percentage of subcontractor(s) performance hours.

4. TECHNICAL APPROACH

The technical approach section of the Technical Proposal must consist of the following subsections

- a. understanding of the project requirements;
- b. proposed development approach;
- c. technical considerations;
- d. detailed project work plan; and
- e. deliverables and due dates.

B. COST PROPOSAL REQUIREMENTS

This section describes the requirements to be addressed by bidders in preparing the Cost Proposal. The bidder must submit the Cost Proposal in a section of the proposal that is a separate section or is packaged separately as specified in this RFP from the Technical Proposal section.

The component costs of the fixed price proposal for providing the services set forth in the Request for Proposal must be provided by submitting forms substantially equivalent to those described below.

1. PRICING SUMMARY

This summary shall present the total fixed price to perform all of the requirements of the Request for Proposal. The bidder must include details in the Cost Proposal supporting any and all costs, for ACH Origination see Exhibit 4. Credit Card Services see Exhibit 6. These details must include, at a minimum, detailed descriptions and/or specifications of the goods and/or services to be provided, quantities, and timing and unit costs, if applicable.

The State reserves the right to review all aspects of the Cost Proposals for reasonableness and to request clarification of any proposal where the cost component shows significant and unsupported deviation from industry standards or in areas where detailed pricing is required.

2. PRICES

Prices quoted shall be net, including transportation and delivery charges fully prepaid by the bidder, F.O.B. destination named in the Request for Proposal. No additional charges will be allowed for packing, packages, or partial delivery costs. When an arithmetic error has been made in the extended total, the unit price will govern.

3. COST ADJUSTMENTS FOR CREDIT CARD SERVICES

If Visa, MasterCard, or another card brand decreases its fees during the length of this contract, the same cost savings should be passed on to the merchants. Likewise, if Visa, MasterCard, or another card brand increases its fees, an amount equal to, but not greater than, the increase may be passed on to merchants using this contract.

C. PAYMENT SCHEDULE

The payment schedule for the project is tied to specific dates and deliverables. Invoices may be submitted by the contractor on specific dates based on the completion and acceptance of related deliverables. No invoice will be approved unless the associated deliverables have been approved. A percentage of the total contract cost may then be invoiced based on the following schedule.

Bidder should provide a sample of a bank account analysis statement and an invoice.

Form A

Bidder Contact Sheet

Request for Proposal Number 4404Z1

Form A should be completed and submitted with each response to this Request for Proposal. This is intended to provide the State with information on the bidder's name and address, and the specific person(s) who are responsible for preparation of the bidder's response.

Preparation of Response Contact Information	
Bidder Name:	
Bidder Address:	
Contact Person & Title:	
Email Address:	
Telephone Number (Office):	
Telephone Number (Cellular):	
FAX Number:	

Each bidder shall also designate a specific contact person who will be responsible for responding to the State if any clarifications of the bidder's response should become necessary. This will also be the person who the State contacts to set up a presentation/demonstration, if required.

Communication with the State Contact Information	
Bidder Name:	
Bidder Address:	
Contact Person & Title:	
Email Address:	
Telephone Number (Office):	
Telephone Number (Cellular):	
FAX Number:	

Form B

Notification of Intent to Bid

Request for Proposal Number 4404Z1

Bidder Name:	
Bidder Address:	
Contact Person:	
Email Address:	
Telephone Number:	
FAX Number:	

The "Notification of Intent to Bid" form should be submitted to the State Purchasing Bureau via e-mail (matpurch.dasmat@nebraska.gov), facsimile (402-471-2089), hand delivered or US Mail by the date shown in the Schedule of Events.

Exhibit 1

Transaction Count of Credit Card Transactions

Request for Proposal Number 4404Z1

EXHIBIT 1						
The following is the transaction count of credit card transactions processed under the State wide credit card contract for the calendar years 2010, 2011, and 2012.						
Agency Name	Calendar Year 2010		Calendar Year 2011		Calendar Year 2012	
	Total # of Transaction	Total \$ of Transactions	Total # of Transaction	Total \$ of Transactions	Total # of Transaction	Total \$ of Transactions
University of Nebraska Lincoln	248,703	\$36,421,197	255,441	\$35,970,516	309,660	\$39,304,214
University of Nebraska Omaha	297,741	\$34,982,391	307,877	\$37,444,807	321,469	\$38,975,596
University of Nebraska Med Cntr	51,306	\$12,224,547	55,528	\$9,987,088	58,737	\$11,133,024
University of Nebraska Kearney	3,796	\$342,024	4,836	\$390,297	4,208	\$325,461
NE Game & Parks	353,627	\$21,157,299	374,826	\$22,453,087	393,642	\$23,564,450
NE Liquor Control	1,260	\$171,725	1,248	\$314,927	249	\$15,446
Historical Society	5,751	\$182,998	5,939	\$195,415	6,188	\$198,898
Division of Communications	107	\$38,639	99	\$36,286	140	\$59,075
State Military Dept	1,636	\$203,579	1,244	\$139,867	571	\$46,724
Department of Insurance	3,135	\$212,873	3,234	\$216,999	2,651	\$177,390
NE Health & Human Services	59,878	\$5,481,673	36,912	\$2,769,331	68,117	\$6,332,762
NE Brand Committee	446	\$24,514	633	\$41,064	480	\$27,612
NE Dept of Agriculture	1,932	\$252,222	1,258	\$228,197	1,088	\$158,071
NE Secretary of State	6,876	\$41,022	7,563	\$42,070	8,916	\$45,872
State Electrical Division	7,995	\$743,043	7,415	\$755,666	12,723	\$1,262,335
NE Child Support Payment Cntr	4,709	\$4,525,764	5,429	\$4,725,391	6,532	\$5,213,263
NE Real Estate Commission	3,855	\$396,189	4,008	\$576,426	4,283	\$740,382
NE Dept of Roads	39,658	\$982,365	68,575	\$1,574,567	95,313	\$2,126,105
NE Lottery	0	\$0	0	\$0	326	\$5,012
Dept of Economic Development	140	\$15,326	215	\$17,470	121	\$13,920
Chadron State College	5,716	\$3,243,657	7,268	\$3,844,714	6,885	\$4,363,352
State of NE Building Division	0	\$0	0	\$0	4	\$227
Office of the Courts	7,074	\$207,198	8,401	\$241,295	8,471	\$238,855
NE Dept of Education	7,465	\$424,135	9,263	\$519,055	10,220	\$568,950
NE Dept of Revenue	3,784	\$2,297,651	5,998	\$3,668,073	9,182	\$4,945,709
Peru State College	2,129	\$1,597,414	2,900	\$2,149,538	3,493	\$2,369,022
NE Board of Public Accountancy	1,551	\$206,765	1,832	\$263,070	1,849	\$277,910
State Agencies	1,120,270	\$126,376,210	1,177,942	\$128,565,216	1,335,518	\$142,489,637
All other entities under the State Contract	1,366,796	\$177,351,826	1,605,847	\$213,153,520	1,732,025	\$234,223,025
Totals	2,487,066	\$303,728,036	2,783,789	\$341,718,736	3,067,543	\$376,712,662
All State Agencies combined have 146 Merchant ID numbers						
Other entities have a total of 124 Merchant ID numbers.						

Exhibit 2

Current Entities for Credit Card Processing

Request for Proposal Number 4404Z1

EXHIBIT 2	
Entities processing under the State of Nebraska contract as of December 2012.	
Some of these listed have more than one merchant ID.	
ALMA MUNICIPAL GOLF COURSE	KEARNEY SWIMMING POOLS
BEATRICE AREA SOLID WASTE AGENCY	KIMBALL AIRPORT AUTHORITY
BEATRICE SNACK BAR	LINCOLN PUBLIC SCHOOLS
BEATRICE WATER PARK	MECA - METRO ENT & CONV AUTHORITY
BOARD OF PUBLIC WORKS OFFICE	METRO COMMUNITY COLLEGE
BUTLER COUNTY POWER DISTRICT	METROPOLITAN UTILITIES DISTRICT
CENTRAL DISTRICT HEALTH DEPT	MUNICIPAL GOLF COURSE
CHADRON STATE COLLEGE	MUNICIPAL LIGHT & WATER
CITY OF ALMA	NE BOARD PUBLIC ACCOUNTANCY
CITY OF BEATRICE	NE BRAND COMMITTEE
CITY OF CHADRON	NE CHILD SUPPORT PAYMENT CENTER
CITY OF COLUMBUS	NE DEPARTMENT OF REVENUE
CITY OF COLUMBUS WATER	NE DEPARTMENT OF ROADS
CITY OF FREMONT	NE DEPT OF AGRICULTURE
CITY OF GI - STOLLEY PARK	NE DEPT OF EDUCATION
CITY OF HICKMAN NE	NE GAME & PARKS
CITY OF KEARNEY	NE HEALTH & HUMAN SERVICES SYST
CITY OF KEARNEY LANDFILL	NE LIQUOR CONTROL COMMISSION
CITY OF KEARNEY RECYCLING CENTER	NE LOTTERY
CITY OF KIMBALL	NE REAL ESTATE COMMISSION
CITY OF LAVISTA	NE SECRETARY OF STATE
CITY OF LEXINGTON	NE STATE FAIR
CITY OF NORTH PLATTE	NORTH CENTRAL PUBLIC POWER
CITY OF OMAHA PLANNING DEPT	NORTHEAST COMMUNITY COLLEGE
CITY OF ST PAUL	OFFICE OF THE COURTS
CITY OF WAVERLY	OMAHA DOUGLAS PUBLIC BUILDING
CIVIC CENTER PARKING	OMAHA PERFORMING ARTS SOCIETY

EXHIBIT 2	
Entities processing under the State of Nebraska contract as of December 2012.	
COLUMBUS AQUATICS CENTER	OMAHA PUBLIC POWER DISTRICT
CORNHUSKER PUBLIC POWER DISTRICT	PAPILLION REC DEPARTMENT
CRETE AIRPORT AUTHORITY	PAWNEE PLUNGE WATER PARK
CUMING COUNTY PPD	PERENNIAL PUBLIC POWER DISTRICT
DAVID CITY UTILITIES	PERU STATE COLLEGE
DEPARTMENT OF INSURANCE	POLK CTY RURAL PUBLIC POWER
DEPARTMENT OF REVENUE	RECREATION CENTER
DEPT OF ADMINISTRATIVE SER - OMAHA	SARPY COUNTY COURT
DEPT OF ECONOMIC DEVELOPMENT	SEWARD COUNTY PUBLIC POWER DISTRICT
DIVISION OF COMMUNICATIONS	SHELDON MUSEUM
EASTERN NEBRASKA OFFICE OF AGING	SOUTHEAST COMM COLL-LINCOLN
FINANCE DEPARTMENT	SOUTHEAST COMM COLL-MILFORD
GENOA COMMUNITY HOSPITAL	SPRING AFFAIR
GI PUBLIC SHOOT PARK	STANTON COUNTY PPD
GRAND ISLAND - BUILDING DEPT	STATE ELECTRICAL DIVISION
GRAND ISLAND - PARKS DEPT	STATE MILITARY DEPT
GRAND ISLAND - SOLID WASTE	STATE OF NE BUILDING DIVISION
GRAND ISLAND - ISLAND OASIS WATERPARK	THE CITY OF NORTH PLATTE
GRAND ISLAND PUBLIC LIBRARY	THE GOLF SHOP AT QUAIL RUN
HISTORICAL SOCIETY	TWIN VALLEYS PUBLIC POWER DISTR
HOWARD GREELEY RURAL PUBLIC POWE	UNIVERSITY BUSINESS OFFICERS
INST FOR CULINARY ARTS	UNIVERSITY OF NEBRASKA - MC
IRON EAGLE GOLF COURSE	UNIVERSITY OF NEBRASKA KEARNEY
KEARNEY CEMETERY	UNIVERSITY OF NEBRASKA LINCOLN
KEARNEY MARINA	UNIVERSITY OF NEBRASKA OMAHA
KEARNEY PARKS AND RECREATION	UNMC ALUMNI-AFFAIRS
KEARNEY PUBLIC LIBRARY	WAYNE STATE COLLEGE

Exhibit 3

Bidder Contact Sheet

Request for Proposal Number 4404Z1

Below is a list of the credit card equipment (including terminals, swipe machines, printers), software, authorization vendors and system integrators being used by entities under the current contract.

3M LIBRARY BASIC FINES & FEES
AFP – GILBARCO PASSPORT
AMANO MCGANN PAYSTATION 4300
ANYWHERE COM RAMBLER RDR
APRIVAPAY
AUTHORIZENET
BATCH
CYBERCASH
CYBERSOURCE
DATACAP/DATATRAN
FIRSTPAID GATEWAY IVT
FIRSTPAID HEALTHCARE SERVICES
IC VERIFY (IC SYSTEMS)
INGENICO ICT220
MAGTEK CHECK READER
MAGTEK CARD READER 3TRK-USB
MANUAL/QRG/OVERLAY
MERCHANT CONNECT MULTI
METAVANTE BSP
MICROS
MICROS/MERCHANT LINK
MONETRA
PAYFLOW LINK (VERISIGN)
PAYFUSE - API
PAYFUSE – API - RETAIL
PAYFUSE - VIRTUAL TERMINAL
PCCHARGE PAYMENT SERVER
PCCHARGE PRO
POS PORT
SAMS4S ER5240
SHIFT4
SIX CARD SOLUTIONS ATTENDED
SOUTHERN DATA/PROTOBASE
SYSTEM INTEGRATOR
UNIMAG PRO CARD SWIPE
UNIPAY
VERIFONE 1000SE (180) PIN PAD

VERIFONE OMNI 3730LE and OMNI 3730LE #2
VERIFONE VX570 DIAL AND VX570 #2
VERIFONE VX570 IP
VERIFONE VX570 IP MID #2 AND VX570 IP MID #6
VERIFONE VX610 CDMA
VERIFONE VX610 GPRS
WAY 5000 WIRELESS
WEBXPRESS

Exhibit 4

Cost Proposal for ACH Origination

Request for Proposal Number 4404Z1

*Bidder should specify if fees listed below as per transaction, per day, month or annual.

Bidder should also specify if there is a monthly, daily or annual maximum per service/transaction.

Bidder should list all potential fees that could be charged under the contract resulting from this RFP even if not specifically identified below or in the RFP document.

Part I: ACH Origination Services	Cost	Unit of Measure: Per transaction, daily, monthly, annual, maximum	RFP page reference	Comments
			(if applicable)	
Services				
Account maintenance - per account	\$			
Electronic credits	\$			
Electronic debits	\$			
Zero Account Balance - lead account	\$			
Zero Account Balance - subsidiary accounts	\$			
Statement (monthly electronically)	\$			
Research - per hour	\$			
Account analysis - specify if by account/or relationship (electronic form and excel or version that can be edited)	\$			
Overdraft	\$			
Wire Services				
Monthly wire maintenance fees	\$			
Wires - domestic voice repeat	\$			
Wires - domestic voice non-repeat	\$			
Wires - domestic repeat (online)	\$			
Wires - domestic non-repeat (online)	\$			
Wires - International – voice	\$			
Wires - International – online	\$			
Incoming domestic wires	\$			
Incoming international wires	\$			
Wire service online (monthly)	\$			
Wire template storage online	\$			
Wire voice repeat template	\$			
Token for wires - set up	\$			
Token for wires – maintenance	\$			

Part I: ACH Origination Services	Cost	Unit of Measure: Per transaction, daily, monthly, annual, maximum	RFP page reference	Comments
			(if applicable)	
Wire pin set up - per user	\$			
Wire pin maintenance - per user/instance	\$			
Information reporting				
Reporting (monthly)	\$			
Reporting (per location)	\$			
Current day (monthly)	\$			
Prior day (monthly)	\$			
Current day per item on reports	\$			
Prior day per item on reports	\$			
ACH Return and Notice of Change reports	\$			
CSV export process	\$			
Information reporting retention - 60 days extended retention online	\$			
EDI remittance on received ACH items	\$			
EDI remittance - raw data on received ACH items	\$			
Fraud Filters				
Check filter	\$			
ACH filter	\$			
ACH Block	\$			
ACH				
ACH originated credits	\$			
ACH originated credit addenda	\$			
ACH originated debits	\$			
ACH originated debit addenda	\$			
ACH received items	\$			
ACH received item addenda	\$			
ACH Notification of Changes	\$			
ACH Returns	\$			
ACH process run	\$			
ACH notification of change & return electronic raw data file	\$			
ACH deletes	\$			
ACH reversals	\$			
ACH batch adjustments	\$			
ACH item adjustments	\$			
ACH trap items	\$			
ACH trap files	\$			
UPIC monthly maintenance	\$			

Part I: ACH Origination Services	Cost	Unit of Measure: Per transaction, daily, monthly, annual, maximum	RFP page reference	Comments
			(if applicable)	
ACH set up	\$			
ACH software (if required - per location)	\$			
Company ID set up	\$			
Company ID monthly	\$			
File testing fees	\$			
ACH returned Item	\$			
Collection charge to consumer	\$			
Revenue Sharing to State	\$			
RCK set up	\$			
RCK entry	\$			
RCK return entry	\$			

Exhibit 5

ACH Bank File Formats

Request for Proposal Number 4404Z1

The CSV exports are critical to the success of the daily automated reconciliation process the State Treasurer's Office and DAS are developing. This section will describe the four formats the contractor will be able to choose from. Once the contractor has chosen from these formats, the Contractor will be required to use the same format for the life of the contract. The selected vendor must make this export available via an online reporting system.

Format 1 Header Row

Column	Data Type/Format	Description
Row Type	One character	Always "H" - Tells that this row is a header row. A header row groups several data rows into a common group.
Date	YYYYMMDD	Begin date of transactions in sub-section
Date	YYYYMMDD	End date of transactions in sub-section
Date of Download	YYYYMMDD	Date the information was received from the financial institution
Account Number	12-digit number	The account at financial institution that the transactions in the sub-section affect.
Client	8-character String	The client of financial institution - always "NETREAS"

Data Row

Column	Data Type/Format	Description
Row Type	One Character	Always "D" – tells that the row is a data row. This is the data that will actually be stored.
Date	YYYYMMDD	Date of transaction
Routing No	9-digit number	Always the same for the financial institution
Account Number	12-digit number	The account number the transaction affected
Account Name	String	Name of the account affected by transaction
BAI Code (Column F)	2-3 digit number	Reference number used by the financial institution
Transaction Description (Column G)	String	Description of the transaction
Amount	Number	Amount of the transaction
Misc Description (Column I)	Long String	Breakdown of transaction
ACH Location Code (Column J)	10-digit Number	Location code for ACH transactions
Location Code (Column K)	3-digit Number	Location code of transaction

EXHIBIT 5 (Continued)

Total Row

Column	Data Type/Format	Description
Row Type	One Character	Always "T" – tells that the row is a total row
Total	Number	Total number of transaction (data rows) in the section

Format 2

Column	Data Type/Format	Description
Date	MM/DD/YYYY	Date of transaction
ABA Num	9-digit number	Bank routing number of financial institution
Currency	String	Currency used - always will be "USD" for US Dollars
Account Num	8-digit number	Account number at the financial institution that was affected by the transaction
Account Name	String	Name of account at the financial institution that was affected by the transaction
Description	String	Description of transaction
BAI Code	BAI-###	BAI code for transaction
Amount	Number (positive or negative for credit or debit)	Amount of transaction
Serial Num	Number	Location code of transaction
Ref Num	Number	Reference number of transaction
Detail	String	Detailed description (breakdown) of transaction

Format 3

Column	Data Type/Format	Description
Account	7-digit number	Account at the financial institution affected by the transaction
ChkRef	3-digit number	Location code of transactions
Debit	Number	Amount of debit
Credit	Number	Amount of credit
Balance	Number	Running balance of account
Date	MM/DD/YYYY	Date of transaction
Description	String	Description of transaction

EXHIBIT 5 (Continued)

Format 4

Column	Data Type/Format	Description
As-Of Date	YYYYMMDD	Most recent date information updated
As-Of-Time	HH:MM:SS	Most recent time information updated
Bank ID	9-digit number	Bank routing number
Bank Name	String	Name of the bank - always "the financial institution."
State	String	State the bank is located in
Acct No	10-digit number	Account number affected by the transaction
Acct Type	String	Type of account affected by the transaction
Acct Name	String	Name of the account – always "STATE OF NEBRASKA"
Currency	3-Character String	Currency being used – should always be "USD" for US Dollars
BAI Type Code	3-digit number	Reference to describe type of transaction
Tran Desc	String	Description of the transaction
Debit Amt	Number	If the transaction is a debit transaction, the amount of the debit.

Column	Data Type/Format	Description
Credit Amt	Number	If the transaction is a credit transaction, the amount of the debit
0 Day Flt Amt	Number	The 0-day float amount
1 Day Flt Amt		
2+ Day Flt Amt		
Customer Ref No	Number	Location code for the transaction
Value Date	MM/DD/YYYY	
Location		
Bank Reference	String	Reference used by the financial institution
Tran Status	String	Status of the transaction (most often will be "POSTED")
Descriptive Text	String	Description of transaction
Descriptive Text	String	Misc. description of transaction
Descriptive Text	String	Misc. description of transaction
Descriptive Text	String	Misc. description of transaction
Descriptive Text	String	Misc. description of transaction
Descriptive Text	String	Misc. description of transaction
Descriptive Text	String	Misc. description of transaction

Exhibit 6

Cost Proposal for Credit Card Services – No Charge for Equipment

Request for Proposal Number 4404Z1

- *Bidder must specify all fees listed below as per transaction, per day, monthly or annually.
- *Bidder must specify if there is a monthly, daily or annual maximum per service/transaction.
- *Bidder is required to list all potential fees that could be charged under the contract resulting from this RFP even if not specifically identified below or in the RFP document.
- *Bidder must specify which fees are passed through to the Credit Card Associations.
- *Bidder should use 475 as the number of swipe machines the State is requesting and would provide equipment for the contract period and including any renewal periods.
- *Equipment should be EMV compatible.

	Cost	Unit of measure: Per transaction, daily, monthly, annual, maximum	RFP page reference	Comments
Account maintenance	\$			
Account maintenance - per account	\$			
Electronic credits	\$			
Electronic debits	\$			
Paper credit	\$			
Paper debit	\$			
Zero Balance Account - lead account	\$			
Zero Balance Account - subsidiary accounts	\$			
Statement (monthly) if mailed	\$			
Statement (monthly, daily) online	\$			
Research - per hour	\$			
Account analysis - specify if by account/or relationship	\$			
Invoice statement	\$			
Daily batch settlement advices to the State Treasurer's Office	\$			
Merchant Statement (monthly) – electronically to the State Treasurer's Office	\$			
Wire Services				
Monthly wire maintenance fees	\$			
Wire - domestic voice repeat	\$			
Wire - domestic voice non-repeat	\$			
Wire - domestic repeat - online	\$			
Wire service online - monthly	\$			
Wire template storage online	\$			
Token for wires - setup	\$			
Token for wires - maintenance	\$			

	Cost	Unit of measure: Per transaction, daily, monthly, annual, maximum	RFP page reference	Comments
Wire pin set up - per user	\$			
Wire pin maintenance -per user/per change	\$			
Information Reporting				
Reporting (monthly)	\$			
Reporting (per location)	\$			
Current day (monthly)	\$			
Prior day (monthly)	\$			
Current day per item on report	\$			
Prior day per item on report	\$			
CSV export processes	\$			
Information reporting retention - 60 days	\$			
Fraud Filters				
Check filters	\$			
ACH filter	\$			
ACH block	\$			
Credit Card				
Merchant Statement (monthly) - mailed to State agency	\$			
Access to online system for agencies to view Merchant Activity	\$			
Minimum Statement Fee (if applicable)	\$			
Chargeback - debits	\$			
Chargeback - credits				
Refunds/Returns				
	\$			
Interchange rates for Visa and MasterCard should be placed in the back of RFP cost proposal – bidders must provide non- governmental rates and governmental rates				
Assessments				
Visa				
MasterCard				
Authorization				
Visa				
MasterCard				
Processing Fees				
Visa				

	Cost	Unit of measure: Per transaction, daily, monthly, annual, maximum	RFP page reference	Comments
Internet payment solution (acceptance, authorizations, hosting)				
Payment Portal (Contractor maintained payment website)				

Exhibit 7

Examples of State Agencies URLs Transacting Payment Card Activity

Request for Proposal Number 4404Z1

Chadron State College

www.csc.edu/pay

<http://www.mycsc.csc.edu/cp/home/loginf>

Nebraska Child Support Payment Center

www.nebraskachildsupport.com

Nebraska Department of Agriculture

www.agr.ne.gov

Nebraska Department of Education

https://datacenter.education.ne.gov/tcertlf/tcert_newapp.dll

https://www.officialpayments.com/pc_template_cobrand.jsp

Nebraska Department of Revenue

http://www.revenue.ne.gov/electron/ind_e-pay.html

http://www.revenue.ne.gov/electron/bus_e-pay.html

Nebraska Department of Roads

www.dor.state.ne.us/permit

<https://drwebsrv/dor.state.ne.us/RSFCC>

Nebraska Game & Parks

Permits <https://ngpc-permits.ne.gov/NGPC-PS/faces/public/welcome>

Reservations <http://www.outdoornebraska.org>

<http://www.outdoornebraska.ne.gov>

<http://orms.reserveamerica.com>

Catalog <http://shopoutdoornebraska.ne.gov/AspDotNetStorefront/>

Magazine <http://shopoutdoornebraska.ne.gov/AspDotNetStoreFront/c-30-nebraskaland.aspx>

Boat Renewal <https://shopoutdoornebraska.ne.gov/Apps/BoatReg/>

Nongame Donation <http://shopoutdoornebraska.ne.gov/AspDotNetStoreFront/p-591-wildlife-conservation-fund.aspx>

Hunter Education Duplicate Card <https://shopoutdoornebraska.ne.gov/secure/duprfq1.asp>

Peru State College

www.peru.edu

University of Nebraska at Kearney

https://myblue.nebraska.edu/psp/myblue/NBK/ENTP/h/?tab=NBK_NVT_GUESTTAB

<http://pickmytickets.com/buy.php?org=unk>

<http://unk.managemyid.com/student/login.php>

Exhibit 7 (continued)

University of Nebraska – Lincoln

Athletics http://www.huskers.com/ViewArticle.dbml?DB_OEM_ID=100&ATCLID=205367732
Market Place <http://marketplace.unl.edu/>
Parking <http://parking.unl.edu/purchase-parking-permit>
Lied Center <http://liedcenter.org/events/lied-center-performing-arts-ticket-office>
Food Processing Center <http://fpm.unl.edu/>
Center for Applied Rural Innovation <https://cariregistration.unl.edu/>
Buros <http://buros.unl.edu/buros/jsp/search.jsp>
Press <http://www.nebraskapress.unl.edu/catalog/CategoryInfo.aspx?cid=152>
Admissions https://myred.nebraska.edu/psp/myred/NBL/ENTP/h/?tab=NBL_NVT_SIGNON
<http://admissions.unl.edu/become/apply/freshman.aspx>
Nebraska 4-H Centers and Camps <http://4h.unl.edu/camp/>
Mary Riepma Ross Media Center <http://theross.org/>
Digital Imaging <http://ucommphotosrv.unl.edu/>
Student Payments https://myred.nebraska.edu/psp/myred/NBL/ENTP/h/?tab=NBL_NVT_SIGNON

University of Nebraska at Omaha

<http://cashiering.unomaha.edu>
<http://mavlink.unomaha.edu>
www.unobookstore.com
<http://unocars.unomaha.edu>
<http://mavcard.unomaha.edu>
<http://itacademy.unomaha.edu>
<http://housing.unomaha.edu>

University of Nebraska Medical Center

<http://net.unmc.edu>

Wayne State College

www.wsc.edu

Exhibit 8

Cost Proposal for Optional Services for NDR

Request for Proposal Number 4404Z1

*Bidder must specify all fees listed below as per transaction, per day, monthly or annually.

*Bidder must specify if there is a monthly, daily or annual maximum per service/transaction.

*Bidder is required to list all potential fees that could be charged under the contract resulting from this RFP **even if not specifically identified below** or in the RFP document for optional services.

	Cost	Unit of measure: Per transaction, daily, monthly, annual, maximum	RFP page reference	Comments
ACH Payment Scheduling System				
Web-based, IVR, and operator-assisted service for payment scheduling solution (acceptance, authorizations, hosting)	\$			
ACH debits	\$			
Secured FTP file	\$			
Daily Remittance Report	\$			
Account Set-up	\$			
Monthly maintenance fees	\$			
Installment Payments				
Web-based solution (acceptance, authorizations, hosting)	\$			
ACH debits	\$			
Credit card payments – optional	\$			
Monthly maintenance fees	\$			
Daily Reporting	\$			
Secured FTP file	\$			
Account Set-up	\$			